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EXTENSION OF SUGAR ACT OF 1948 AS AMENDED

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HEARING BEFORE THE COMMITTEE ON AGRICULTURE HOUSE OF REPRESENTATIVES EIGHTY-SIXTH CONGRESS

SECOND SESSION

ON

H.R. 12311, H.R. 12534, and H.R. 12624

JUNE 22, 1960

Serial EEE

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EXTENSION OF THE SUGAR ACT OF 1948, AS AMENDED

WEDNESDAY, JUNE 22, 1960

HOUSE OF REPRESENTATIVES,
COMMITTEE ON AGRICULTURE,
Washington, D.C.

The committee met at 10:10 a.m., pursuant to notice, in room 1310, New House Office Building, Washington, D.C. Hon. Harold D. Cooley (chairman) presiding.

Present: Representatives Cooley, Poage, Grant, Gathings, McMillan, Abernethy, Albert, Abbott, Thompson, Jones of Missouri, Hagen, Johnson of Wisconsin, Bass, Jennings, Matthews, Coad, Breeding, Stubblefield, Hogan, Levering, Hoeven, Dague, Belcher, McIntire, Dixon, Smith of Kansas, Teague of California, Quie, Short, Mrs. May, Pirnie, and Latta.

Also present: Christine S. Gallagher, clerk; Hyde Murray, assistant clerk; John J. Heimburger, counsel; and Francis LeMay, consultant.

The CHAIRMAN. The committee will please be in order.

We have the honor of having with us this morning the very distinguished Secretary of State with whom many of us have served in the House. We are delighted, Mr. Secretary, to have you here. We regret having to call you away from other important duties to appear here, but this is a matter of considerable importance which is before the committee for consideration this morning—it is of very great and grave importance, and that is the reason we asked you to appear here.

We have before us three bills, H.R. 12311, H.R. 12534, and H.R. 12624, which will be made a part of the record at this point.

(H.R. 12311, H.R. 12534, and H.R. 12624 follow):

[H. R. 12311, 86th Cong., 2d sess, Rept. No. 1746]

[Insert the part printed in *italic*]

A BILL To extend for one year the Sugar Act of 1948, as amended

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That section 412 of the Sugar Act of 1948 (relating to termination of the powers of the Secretary under the Act) is amended by striking out "1960" in each place it appears therein and inserting in lieu thereof "1961".

SEC. 2. Sections 4501(c) and 6412(d) (relating to the termination and refund of taxes on sugar) of the Internal Revenue Code of 1954 are amended by striking out "1961" in each place it appears therein and inserting in lieu thereof "1962".

SEC. 3. Section 204(c) of the Sugar Act of 1948, as amended (relating to pro-rata of deficits), is amended by striking out "shall not be reduced" and inserting "may be reduced".

[H.R. 12534, 86th Cong., 2d sess.]

A BILL To extend the Sugar Act of 1948, as amended, for one year and to authorize presidential action during the time Congress is not in session if such action is in the national interest or is necessary to insure an adequate supply of sugar, and for other purposes

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That section 204(c) of the Sugar Act of 1948, as amended, (relating to proration of deficits) is amended by striking out "shall not be reduced" and inserting "may be reduced".

SEC. 2. Section 408 of the Sugar Act of 1948, as amended (relating to suspension of quotas), is amended to designate such section as subsection "(a)"; and to add a new subsection "(b)" as follows:

"(b) Notwithstanding the provisions of title II of this Act, for the period ending with the convening of the Eighty-seventh Congress, (1) upon a finding by the President that it is necessary, in the national interest, or to insure adequate supplies of sugar, that the quota for any calendar year, for any foreign country (other than the Republic of the Philippines) should be reduced, the President—

"(i) if the Congress has not adjourned sine die, shall immediately notify the Congress of such findings (setting forth his reasons therefor) submit recommendations for implementing such findings, and request appropriate congressional action thereon, or,

"(ii) if the Congress has adjourned sine die, may decrease, upon such finding, any such quota in such amount as he shall determine to be necessary. Such reduction shall become effective immediately upon the publication in the Federal Register of the President's proclamation thereof;

"(2) For the purposes of meeting the requirements of consumers in the United States, the Secretary is authorized to cause or permit to be imported into the United States, in such manner, from such sources and subject to such terms and conditions as he deems appropriate under the prevailing circumstances, a quantity of raw sugar, not in excess of the sum of any reductions in quotas made pursuant to this subsection; (3) where the Secretary determines it appropriate to the manner in which he exercises such authority, he shall take into consideration acquiring such quantity of sugar from the other countries for which quotas or prorations thereof are provided for in section 202(c) on the basis of the quotas or prorations thereof for such countries then in effect, to the extent such countries may be able to supply such quantity; and (4) if the Secretary finds that raw sugar is not reasonably available, he may, as provided in (2) above, cause or permit to be imported such quantity of sugar in the form of direct-consumption sugar as may be required."

SEC. 3. Section 412 of the Sugar Act of 1948, as amended (relating to termination of the powers of the Secretary under the Act, is amended by striking out "1960" in each place it appears therein and inserting in lieu thereof "1961".

SEC. 4. Sections 4501(c) and 6412(d) (relating to the termination and refund of taxes on sugar) of the Internal Revenue Code of 1954 are amended by striking out "1961" in each place it appears therein and inserting in lieu thereof "1962".

[H.R. 12624, 86th Cong., 2d sess.]

A BILL To extend the Sugar Act of 1948, as amended, for one year; to authorize Presidential action during the time Congress is not in session if such action is in the national interest or is necessary to insure an adequate supply of sugar; to stabilize the quota for Cuba; and for other purposes

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That section 202 of the Sugar Act of 1948, as amended, (relating to proration of quotas) is amended by adding at the end thereof the following new subsection (f):

"(f) Notwithstanding any other provision of this title II, for 1960 and 1961, the quota or applicable proration thereof for Cuba together with the proration of deficits, if any, to Cuba pursuant to section 204 shall not exceed three million one hundred and nineteen thousand six hundred and fifty-five short tons, raw value; and an amount of sugar equal to the amount, if any, which would have been prorated to Cuba, either as a deficit or as a quota proration or both, but for the operation of this subsection, shall be treated as a deficit for Cuba and shall be apportioned as provided in section 204."

SEC. 2. Section 204(c) of the Sugar Act of 1948, as amended (relating to proration of deficits), is amended by striking out "shall not be reduced" and inserting "may be reduced".

SEC. 3. Section 408 of the Sugar Act of 1948, as amended (relating to suspension of quotas), is amended to designate such section as subsection "(a)"; and to add a new subsection "(b)" as follows:

"(b) Notwithstanding the provisions of title II of this Act, for the period ending with the convening of the Eighty-seventh Congress, (1) upon a finding by the President that it is necessary, in the national interest, or to insure adequate supplies of sugar, that the quota for any calendar year, for any foreign country (other than the Republic of the Philippines) should be reduced, the President—

"(i) if the Congress has not adjourned sine die, shall immediately notify the Congress of such findings (setting forth his reasons therefor), submit recommendations for implementing such findings, and request appropriate congressional action thereon, or,

"(ii) if the Congress has adjourned sine die, may decrease, upon such finding, any such quota in such amount as he shall determine to be necessary; such reduction shall become effective immediately upon the publication in the Federal Register of the President's proclamation thereof;

"(2) for the purposes of meeting the requirements of consumers in the United States, the Secretary is authorized to cause or permit to be brought or imported into or marketed in the United States, in such manner, from such sources and subject to such terms and conditions as he deems appropriate under the prevailing circumstances, a quantity of raw sugar, not in excess of the sum of any reductions in quotas made pursuant to this subsection; (3) where the Secretary determines it appropriate to the manner in which he exercises such authority, he shall take into consideration acquiring such quantity of sugar from the other countries for which quotas or prorations thereof are provided for in section 202(c) on the basis of the quotas or prorations thereof for such countries then in effect, to the extent such countries may be able to supply such quantity; and (4) if the Secretary finds that raw sugar is not reasonably available, he may, as provided in (2) above, cause or permit to be brought or imported into or marketed in the United States such quantity of sugar in the form of direct-consumption sugar as may be required."

SEC. 4. Sections 101(j), 203, 205(a), 209(a), 209(c), and 307 of the Sugar Act of 1948, as amended, are each amended by striking out the words "the Territory of" in each place where they appear therein.

SEC. 5. Section 412 of the Sugar Act of 1948, as amended (relating to termination of the powers of the Secretary under the Act), is amended by striking out "1960" in each place it appears therein and inserting in lieu thereof "1961".

SEC. 6. Sections 4501(c) and 6412(d) (relating to the termination and refund of taxes on sugar) of the Internal Revenue Code of 1954 are amended by striking out "1961" in each place it appears therein and inserting in lieu thereof "1962".

The CHAIRMAN. I notice that you have a prepared statement, Mr. Secretary, and I will ask that you not be interrupted until after you have concluded your statement, and then I am sure that we will have some questions.

STATEMENT OF HON. CHRISTIAN A. HERTER, SECRETARY OF STATE; ACCOMPANIED BY THOMAS C. MANN, ASSISTANT SECRETARY OF STATE FOR ECONOMIC AFFAIRS, AND WILLIAM B. MACOMBER, ASSISTANT SECRETARY OF STATE FOR CONGRESSIONAL RELATIONS

Secretary HERTER. Thank you, Mr. Chairman. The administration's recommendations for amendment on the Sugar Act were submitted to the Speaker of the House of Representatives and to the Vice President on March 15, 1960, by the Acting Secretary of Agriculture. Very few changes were recommended. These recommendations included a 4-year extension and certain technical changes in the act which were designed to make the Sugar Act operate more smoothly and effectively.

In addition, the Congress was asked to delegate to the President authority to reduce the quota of any country other than the Republic

of the Philippines (whose quota is established by treaty) when he found it necessary to do so in the national interest or to insure adequate supplies of sugar. The Secretary of Agriculture, who administers the Sugar Act, and the Secretary of State, who must consider the effect which any change in domestic legislation may have on our international commitments, were agreed that such authority was necessary under existing circumstances.

The primary reason for requesting this grant of interim authority to adjust quotas was to safeguard consumers in this country from possible interruptions in supply and fluctuations in price. I need not tell you that our concern was with conditions in Cuba. Under the terms of the Sugar Act presently in effect, Cuba enjoys a quota of 3,119,655 tons, or approximately one-third of the total U.S. requirements for sugar, currently estimated at 9,400,000 tons for 1960. In addition, the present law provides that the Cuban quota be increased if deficits are declared in the domestic areas, as now appears certain. This is a very large proportion (and I am speaking of the 3-million-plus tons) of our total sugar supply.

In the past Cuba has been a dependable source, responsive to the U.S. needs and responsible in situations of emergency. Cuban production in recent years, approximately 5.8 million tons in 1958 and 6 million tons in 1959, has been more than adequate to meet the needs of the United States and to supply Cuba's traditional world markets. It should be noted that for most of the time since the Sugar Act went into effect, the price received by Cuba for sales to the United States has been higher than the price prevailing on world markets. However, for a period of several months in 1950 and 1951, during the Korean war, and again in 1957, following the Suez crisis, Cuba continued to supply sugar to the United States even though the world price was at levels considerably higher than these prevailing in the United States.

Recent developments, however, have raised questions in our minds as to whether Cuba will be a dependable source in the future. Cuban official spokesmen have announced, not once but on many occasions, their desire to diversify agricultural production and to eliminate what they have termed "the evils of monoproduction," and "the dependence on foreign markets." Steps already taken to achieve this professed objective, in addition to the problems inherent in the government's plan to redistribute the land under the Agrarian Law, have led knowledgeable observers to predict that Cuba's sugar production will soon register a decline of at least 1 million tons from current levels.

Here, I may point out that there is a misprint, a mistake in the mimeographed copy furnished to you, and the next two and one half lines should be stricken out.

What implementation of this program will do to Cuba's sugar production over the long term is uncertain at this time, but we cannot exclude the possibility of a further, progressive decline in years to come.

It should also be borne in mind, in connection with Cuba's future ability to supply the U.S. market, that the Cuban Government has recently entered into an agreement with the Soviet Union under which it is committed to supply 1 million tons of sugar annually during the next 5 years. Trade agreements have also been signed recently with East Germany, and Poland, calling for shipments of 60,000 tons, and

50,000 tons, respectively. Reports are current that an agreement involving the shipment of a half million tons of sugar to Communist China is presently under active consideration. This would be in addition to 80,000 tons sold to Communist China in March.

Because of these and other circumstances, this would be an appropriate time for the United States to seek ways to diversify its sources of supply and reduce the dependence of its consumers on Cuban sugar, the supply of which may become increasingly uncertain. It is noted that, on the last two occasions when the Sugar Act was revised, the Congress made changes which had the effect of giving more of our market to other producers and limiting the share of the market going to Cuba. However, even with a substantial reduction from present levels, Cuba would be by far the largest single source of sugar for the United States.

In conclusion, while of course we are convinced that the original administration recommendations were sound, our position on the bills which I understand are still actively before the committee or the House as they relate to Presidential authority is as follows. We believe it would be a serious mistake to deny the President authority to act in this area. And while we believe that the national interest could be better protected under the flexible authority to the President as provided in H.R. 12534, I nevertheless believe we could operate within the less flexible authority which would be provided in H.R. 12624.

The CHAIRMAN. Mr. Secretary, we thank you very much for your statement. I suppose that you are aware of the facts that the administration did not submit a sugar bill or a proposed sugar bill during the entire first session of this Congress. This committee was prepared to consider sugar legislation early in the first session of this Congress, and would have, but for the sad situation which developed in Cuba.

We postponed any consideration of proposed legislation relating to the sugar program. And finally, the session adjourned. Nothing took place.

At no time during the first session of this Congress did anyone urge this committee to hold hearings on the Sugar Act. We had numerous conferences during the entire period of the first session and early in this session.

In March of this year the administration transmitted to the Congress a bill which in routine fashion the Speaker sent to this committee, proposing a 4-year extension of the Sugar Act, which did not contemplate reopening of the quotas, but contemplated an extension for 4 years, with some technical changes, as you have suggested, and with the delegation of power to the President, as you have suggested, to act at any time with reference to the sugar quotas. That is, if he considered such action necessary in order to meet and satisfy the domestic needs.

In an effort to satisfy that position, this committee adopted an amendment which we do think insures an adequate supply of sugar for our domestic markets, because we gave to the Secretary of Agriculture the additional right to declare deficits and to increase quotas for the current year in any area, where he deems advisable. We felt that the Secretary of Agriculture, with that amendment would be able to insure adequate supplies of sugar at all times, without it being necessary to go into the world markets to obtain the sugar.

And then I believe that at other meetings which were more or less political, or so-called, it was suggested that you might need to act in the interests of national security for the national welfare. That proposition of delegation of power was considered by this committee and deemed unnecessary, and we introduced a bill for a 1-year extension with no change in the law other than the granting of the power to the Secretary I have just mentioned.

That bill is pending before the Rules Committee. We were to appear before the Rules Committee last Wednesday, but Tuesday afternoon, another bill was introduced which was different from the administration bill. As a result of that, we called off our hearing before the Rules Committee.

I might explain to you and the other gentlemen that notwithstanding the fact that the President transmitted a suggested bill to us sometime back, no Member of Congress in either party has introduced that bill in the House of Representatives. So that bill is not up for consideration this morning. In fact, we are exploring the program and the policy which is involved for the grant of power to the Executive as is requested. Apparently, no one is in favor of a 4-year extension.

Earlier in the first session of the Congress, I believe there were 40 or 50 bills introduced, providing for an indefinite extension of the Sugar Act. It was not proposed that we should change the quotas or alter the bill in any way. We were urged to extend the act as it was. And that situation existed until March 15, when we received this bill in an executive communication to the Speaker of the House—the bill that was introduced on Tuesday evening, before we were to appear before the Rules Committee. I am sure you are familiar with that—

Secretary HERTER. This is the last one I refer to, yes; introduced by Mr. Hoeven. That bill varies from the previous bills in the setting of the maximum quota.

The CHAIRMAN. Takes away from Cuba the right to participate in the deficit, and it takes away the right to participate in the growth formula.

Under the basic sugar legislation, the formula in the law is 55-45—55 percent to domestic and 45 percent to other countries.

The administration, I think, has advocated that formula. In the year 1956 the formula was adopted. It was understood at that time that it was to be a permanent, fixed formula in the law.

Under the bill that you last referred to, that formula would be changed—the formula which seems to be acceptable to all parties, both foreign and domestic. I wonder if you realize the substantial change that would be brought about if the last bill which you referred to were enacted into law?

Secretary HERTER. I do.

The CHAIRMAN. That means a change from 55-45 to 85-15. I suppose you also are aware of the fact that in our domestic areas, Hawaii and Puerto Rico, we have a substantial deficit of, I think, 500,000 tons. Our cane producers are not producing that amount of cane and these producers have not been able to fill their adjusted quotas.

With respect to the proposition submitted, the effect of it is that we will take away, roughly, 200,000 tons from Cuba, or will withhold

200,000 tons from Cuba, 85 percent of which will go to domestic producers, and 15 percent to the others. That, of course, is a drastic change and it is a definite reduction in Cuba's participation in our market. And it would restrict imports from foreign countries into our markets, because, normally, 45 percent of it would go to the foreign countries.

That bill, further, has no provision for reallocation of any quota we might take away from any country. So then you would immediately have to rely upon the discretion of someone in the Department to obtain the sugar wherever obtainable because it would be within their discretion, anything to the contrary notwithstanding.

I will say this to you, and I think that the members of the committee will bear me out, that all of the countries want an additional quota. Many of the countries that do not now participate in our program want to participate in our program. I think that I can safely say that not a single representative of a single full-duty country has urged me to open the quotas, to the end that they might participate; that is, this year. Everyone who has talked to me has seemed to agree that in our unfortunate situation we should extend the act 1 year and wait and see what happens. No country has urged us to reopen the quotas, although they want to participate; and, if the quotas are opened, I am sure that they will participate.

Mrs. May, in her area, has constituents who want to participate. And down in Texas, there are others who want to participate. That is also true of Oklahoma and other parts of the country where there are farmers who want to start growing beets, but even they are willing, apparently, to wait for a year to see what does develop.

The reason we asked you to come here is that it is a question of who is to participate and who is not to participate. I do not think that it is a question of whether it is 1 year or 5 years or permanent legislation. I think that it is 1 year or nothing. I think we must have a closed rule, or we will not have a sugar program.

This sugar program is vital to all of the people in the country. I am sure that you know that the objective of the original act was to protect our domestic industry, and that objective has been accomplished. The program has operated so well and so successfully that the average housewife was not aware of the fact that we had a program. Everyone has told me that they wanted a 1-year extension—all of the industrial users I have heard from have said that they wanted a 1-year extension with no changes.

These people are businessmen, and they are interested, of course, in their own future welfare.

Mr. Hoeven, the ranking minority member of this committee has introduced a 1-year bill. I introduced a 1-year bill. Maybe there are some 4-year bills pending. I think that Dr. Dixon has introduced a 4-year bill. And there are some bills pending for extensions for different periods of extension time.

If we open up the quota section, however, it occurs to me that everybody should be given an opportunity to be heard.

The administration's bill proposes to give to the mainland producers an additional 200,000 tons. It did not specify where it was coming from, but that is it. That bill has no sponsor, no one has come forward with that bill in its entirety.

Just exactly what the purpose is in the administration's bill requesting the granting of 200,000 additional tons to the mainland producers, is a question, because they cannot fill any part of that 200,000 tons, we know. We also know full well that the sugar producers in the beet-growing area are not in a position economically to produce those quantities for consumption.

All of the people who are processing sugar on the mainland are interested in this legislation.

I say all of this to give you the background, and to tell you how constantly we have considered it. This is not something that has been delayed to the last minute. We started consideration of it a long time ago. We have not held hearings, because there has been no demand for a hearing. The hearings in 1956 went on for weeks, as well as in 1955. They went on and on, and everybody was given an opportunity to be heard. We thought that we had written a fair and equitable bill. We know now that there must be a revision of some of it.

I understand that the administration which you speak for asks for an extension of the act as is, with a grant of powers to the President to change the quotas when he deems it necessary to the national interests. He went no further than that.

Secretary HERTER. And the 200,000 tons.

The CHAIRMAN. You are going to give that up, are you not?

Secretary HERTER. I am not.

The CHAIRMAN. You have asked for the 200,000 tons, but I do not think that Mr. Hoeven's bill asked for the 200,000 tons. He asked for an extension and a grant of power. I want to make one concluding statement.

I have been on this committee 26 years. I have more or less grown up with the sugar law. I have participated in the preparation and passage of all of the laws relating to sugar since I have been on the committee. And I can truthfully say that never before in more than 25 years, has this legislation become involved in partisan politics. I think that it is unfortunate, that it is now for the first time involved in partisan politics, as indicated by the votes in the committee. And as indicated by this vicious unwarranted propaganda from the Republican headquarters across the street, which in effect says that anyone who votes for this committee bill is soft on Communism and pro-Castro. That statement is an indictment of every Democrat on this committee and is suggesting a despicable political effort, when it puts this program into partisan politics.

I want to sum up by saying that you are here to speak for the administration, and if I understand it, you are asking only for three things—the extension of the act, you say for 1 year—and 200,000 tons, and that leaves a third thing, the delegation of power to the President. That is your recommendation?

Secretary HERTER. That is substantially correct.

The CHAIRMAN. To put it another way, you do not recommend a definite cut in the sugar quota to Cuba at this time?

Secretary HERTER. We have not recommended that, but we have said that we can live with that bill, and if that should be the will of the committee and Congress, we feel that we can.

The CHAIRMAN. You have not recommended a limitation—that is not the policy you have adopted toward Cuba.

Secretary HERTER. I have indicated preferences in the concluding paragraph of my statement. We want to see a bill enacted.

Mr. HOEVEN. I do not think that this is the time or the place to engage in a general debate as to the merits of particular legislation or any attempt to discredit any piece of legislation. I do not want to get into an argument with my good chairman about some of the things he has said.

Mr. Secretary, I want you to know that the committee is very strongly divided on the legislation that is being discussed here.

I have joined with the chairman in feeling that a 1-year extension of the act was about all we could hope for at this session. I did propose an amendment which would give the President authority to lower quotas when Congress was not in session, but that amendment was voted down in the committee.

I wanted the President to have the authority to reduce quotas when the Congress was not in session. That proposal was incorporated in the bill I introduced.

Later, it became very apparent, at least to me and to others on my side of this committee, that it would be absolutely impossible to get a closed rule, which the chairman and I were both interested in, unless we put in more restrictive language, such as was incorporated in my last bill, H.R. 12624.

That bill simply does this, it extends the Sugar Act for 1 year. It gives the President authority to lower the quotas when Congress is not in session which, for all practical purposes, would be the period from the adjournment of the present Congress until Congress reconvenes in January.

I think I express the overwhelming sentiment of the people of the United States and, certainly, of the Congress, that this man Castro shall not have any windfall and that he is going to behave in the meantime. We can review the entire situation next year. If Mr. Castro is out of office at that time and we have a more friendly person in charge of the Cuban Government, we can carefully review the matter and make a readjustment of the quotas.

We are dealing with a dictator now at our back door, conniving with the Soviet and with Communist China, intimidating us, taking over American property, and in general, permitting the Communists to take over that island.

It seems to me that the proposal that I have made is one which will protect Cuba in spite of Castro's actions. Most certainly, it will protect the United States of America and the consumers and the producers in this country.

Under my proposal we are simply saying to Mr. Castro, "You are not going to participate in the windfall," some 156,000 tons of sugar which would come his way due to the deficit which is occurring in the quotas of Puerto Rico and Hawaii. We are not giving him one ounce more or less than he is presently receiving. I do not think that there is anything unfair about that.

It is my opinion that if there is to be a closed rule it will have to be a rule that makes my bill in order so it may be considered by the House. I think that it would be disastrous to have this legislation brought up under an open rule, because it would open up the entire quota proposition, involving not only our domestic producers, but our treaty commitments with the Philippines. Furthermore, other coun-

tries such as Mexico, and Brazil would want their share. If open debate is permitted in the House of Representatives, Castro would be castigated and condemned in no uncertain terms and many things would be said which might further affect our international relations. Commonsense should dictate that that we go forward with a 1-year extension with the Presidential authority to handle the situation when Congress is not in session.

Mr. POAGE. I want to ask a question, Mr. Herter, if you will permit it. Does the State Department still follow the philosophy that we should distribute our sugar 55 percent to the domestic producers and 45 percent to the oversea producers—is that still our policy?

Secretary HERTER. That has been our policy right along.

Mr. POAGE. I know it has been. But is it the policy now?

Secretary HERTER. It is still our policy. The question as to whether or not there should be any change in the Cuban quota as such is a matter that I think, perhaps, we could discuss in executive session where we can talk about the political implications of it.

Mr. POAGE. I am one of those who 4 years ago wanted to cut the Cuban program.

The CHAIRMAN. And so was I.

Mr. POAGE. Mr. Cooley and I stood to the last in the conference committee, and we were the two who were left there when our other three House members voted against us. We voted to cut the Cuban quota 4 years ago. I am still for cutting the Cuban quota. I am one who does not think that it is doing this country any good to make Mr. Castro stronger than he is. But I also recognize the danger of making a martyr of him.

Do you think there is any danger of making a martyr out of Mr. Castro?

Secretary HERTER. I would doubt it.

Mr. POAGE. You do not think taking the sugar quota away from Cuba would make the Cubans or other Latins look on Castro as a martyr?

Secretary HERTER. On the other hand, as you may recall, the administration bill recommended no specific changes in the quota, but it asked Presidential discretion, if it should be in the national interest to do so, and of course remembering we have to protect our domestic markets, to reallocate quotas.

Mr. POAGE. I know that; and the primary purpose of that request was as you state to secure an adequate supply of sugar to the United States. The primary reason for requesting the interim authority to adjust quotas was to safeguard the interests of this country from possible interruption in the supply of this product. That was the primary purpose?

Secretary HERTER. That is correct.

Mr. POAGE. That has been completely answered by the amendments that Mr. Cooley has placed in the bill, has it not?

Secretary HERTER. Yes, I think it has.

Mr. POAGE. That is no longer a valid reason for asking for this power, is it?

Secretary HERTER. The amendment, as I understand it, that Mr. Cooley has put in his bill gives to the Secretary of Agriculture certain discretionary power. We have asked that there be put in the hands of the President, power to reduce the quota if the President sees fit

to do so for either reason, that of protecting our own markets, and assuring of supply, or for reasons of national interest.

Mr. POAGE. I know, but I am asking the question whether or not the Cooley amendment had not completely taken care of what you describe as the primary purpose of your request?

Secretary HERTER. Well, the Cooley amendment does this. The deficit has to actually occur before the Secretary of Agriculture, under the Cooley amendment, as I understand it, can act.

The Presidential discretion would allow taking action prior, when something was imminent.

Mr. POAGE. I believe that the wording in the Cooley amendment provides that if the Secretary finds that there "will be" a shortage that he may declare a deficit and reallocate the sugar quota and prevent a shortage, so that it is up to the Secretary of Agriculture, if he foresees the possibility of a deficit, then he can take care of it under the Cooley amendment. And all I am trying to get to here is—and I am sure that you realize it is true—the Cooley amendment takes care of this situation which you have described as being the primary reason for making the request. That is right, is it not?

Secretary HERTER. I would assume so.

Mr. POAGE. I think it is right.

Secretary HERTER. I do not pretend to be an expert in the domestic operations of this act. The Department of Agriculture would testify to that.

Mr. POAGE. You have given two reasons for wanting it—one of them is that you say that the primary reason is that you are concerned with the consumers of the United States. I think it is clear that Mr. Cooley's proposal takes care of that. There is nothing left in your request except that the President have the power to exercise it when he thinks it is in the national interest, whether it relates to sugar or for some other purpose; that is all, is it not?

Secretary HERTER. That is the principal thing.

Mr. POAGE. I think it is. Now then, I want to get it clear, does the State Department feel it is desirable to maintain the 55-45 division, of the present act?

Secretary HERTER. I have just been consulting with my colleague, Mr. Mann here, who is very familiar with this legislation. And as far as we are concerned there has been no change in our attitude on that.

On the other hand, an emergency may arise which is described by Mr. Hoeven which might make it desirable to make that change.

Mr. POAGE. Do you understand or consider the Hoeven bill to make a change in the 55-45 basic distribution of sugar?

Secretary HERTER. As I stated before, we would prefer to have complete flexibility to rest with the President, which is in H.R. 12534, the second Hoeven bill.

Mr. POAGE. In other words, rather than pass the first one, to pass the second one?

Secretary HERTER. On the other hand, if it is the desire of the Congress that there be the limitation in H.R. 12624, we can live with it.

Mr. POAGE. I know that, but would you prefer to have——

Secretary HERTER. That is the way I testified.

Mr. POAGE. You would prefer the third section of the bill. In addition to what our chairman has said as to this release, Mr. Hoeven has been quoted as saying, "I do not know why Mr. Cooley should take this pro-Castro position."

Did the State Department consider that Mr. Cooley takes a pro-Castro position?

Mr. HOEVEN. Will the gentleman yield?

Mr. POAGE. Yes.

Mr. HOEVEN. In this open hearing I deny that I ever made such a statement.

Mr. POAGE. I am glad to have you deny it. I hope that you will ask the New York Times to repudiate that statement.

Mr. HOEVEN. I have not read the article. I know nothing about it. I never made any such statement.

Mr. POAGE. Will you ask the Times to repudiate that statement?

Mr. HOEVEN. I will be glad to call their attention to it.

Mr. POAGE. You will call their attention to the fact that that is false? I am asking about the statement, does the State Department—

Mr. HOEVEN. The State Department—ask them.

Mr. POAGE. Does the State Department feel that Mr. Cooley has taken a pro-Castro position?

Secretary HERTER. The State Department, as far as I know, has never discussed this matter one way or another from the point of view of Mr. Cooley. Certainly, I am not going to indict any Member of the Congress for any position that he holds. I have tried to make it clear that we feel that under existing circumstances that the bill should contain the right to the President, when Congress is not in session, to reduce the quotas, if he believes it is in our national interest.

Mr. POAGE. And you feel that does not carry with it any danger of making a martyr out of Mr. Castro and maintaining him longer than he would otherwise be able to maintain his position?

Secretary HERTER. I do not.

Mr. POAGE. Then do you feel that there is any danger of making a martyr of Mr. Castro if we take away from him some of the sugar that the present law would let go to Cuba?

Secretary HERTER. Not necessarily. Obviously, under the Sugar Act, this is a matter, essentially, of domestic legislation.

Mr. POAGE. We have the right to do it, of course. The only question is one of expediency.

Secretary HERTER. As you yourself have said, you have done it, and you have done it in previous Sugar Acts.

Mr. POAGE. I said I tried to. But that was long before I ever heard the name of Mr. Castro. I do not want to do anything which may perpetuate Mr. Castro down there, but you feel that there is no serious danger in taking sugar away which under the existing law would go to Cuba?

Secretary HERTER. No, obviously not. We would not otherwise ask for the authority—

Mr. POAGE. You say, obviously not.

Secretary HERTER. For the authority to the President. If he feels that it is in the national interest to do so, to give him that authority, and if he should exercise that authority, we would assume that he would be doing it in our national interest.

Mr. POAGE. Then if that danger does not exist, and the committee took away a very substantial amount of sugar, such as 200,000 or 400,000 or one-half million tons, or a million tons from Cuba, and reallocated it to other countries, would the State Department object?

Secretary HERTER. We have not favored the reallocation this year, because of the very thing that the chairman brought out that this would require very long hearings with the interests of everyone here involved to be heard.

Mr. LATTI. I would like to hear the Secretary's answer.

The CHAIRMAN. Would you state your answer, Mr. Secretary? Mr. Latta did not hear it.

Mr. LATTI. They were all talking at the same time.

Mr. POAGE. I did not ask him if he wanted to, I asked him if he felt that there was any danger in doing it.

Secretary HERTER. We have asked that that discretion be left in the hands of the President when the Congress is not in session.

Mr. POAGE. I understand that; I understand that; but the Congress is in session right now. I am one of the Members of this Congress who would like to take away one-half million tons from Cuba and will vote for it today, if the State Department feels that it is not dangerous to the welfare of the United States. I want to know your position on it.

Secretary HERTER. I think that the most important thing if the United States is going to exercise that kind of authority is that the timing of it should be very carefully observed. Obviously, we have a situation that I would like to discuss with you in executive session with respect to Cuba. I do not think it is desirable to discuss it in open session.

The CHAIRMAN. I would just like to say when reference was made to a statement attributed to Mr. Hoeven, that he made no such statement, but the fact remains this publication indicted every member of this committee—and not only the chairman but everybody—it labeled all of us as pro-Castro.

I am like Mr. Poage, if we are going to have a policy toward Cuba, 200,000 tons does not mean anything. I do not want to just shave one side of his face—I want to shave both sides and the top of his head. And I am willing to cut the quota as far as circumstances will permit us to cut it.

I think that any move we make is fraught with danger, if we go into it unilaterally and make sanctions. I have in mind a question which I think is unambiguous and perfectly clear, the question of, When do we violate that? Will 200,000 tons do it or will it take one-half million tons to do it? Where does it start and stop? I think that it is important that we know. If you want to discuss it in executive session I am perfectly willing to discuss it in executive session. I did not want to do it before the Rules Committee before I had the entire position of this administration on this important legislation which, I think, is of national, even of world, importance, because of what we know is going on in the rest of the world.

Mr. POAGE. I do not want to discuss anything that should be discussed in executive session, but on page 2, you state that it will cause a feeling of uncertainty and you go on further to state:

Because of these and other circumstances, this would be an appropriate time for the United States to seek ways to diversify its sources of supply and reduce the dependence of its consumers on Cuban sugar, the supply which may become increasingly uncertain.

With that I find no fault whatever. I think it is a correct statement. I want to congratulate the State Department on it. I think that you are right.

But when we legislate—when we take you at your word and legislate what you suggest, I want to know your thoughts on it.

Secretary HERTER. I stand right by that statement.

Mr. POAGE. That is all I want to say.

The CHAIRMAN. Mr. Belcher.

Mr. BELCHER. Mr. Chairman, in any discussions I have had in this committee or outside of the committee it was never intended in a partisan attitude. It was suggested that the best thing for the United States would be to ask for a continuation of 4 years with the power to readjust these quotas. I did not feel that it was a good thing to give a 4-year extension. I did feel that the President should have the power to deal with it. And in backing a President of the United States I might be accused of being partisan because I am a Republican, and I was backing a Republican President, but there has never been a Democratic President within my lifetime who if he had come to this Congress and had asked for authority to deal with anybody in the world who has done the things that Castro has done I would be one of the first to give him that authority.

This is not my position on the basis of partisan politics. I am sorry that partisan politics have entered into the picture.

I think that if Castro starts shooting Americans he will shoot Democrats just as quickly as he will shoot Republicans. [Laughter.]

And I think to give the power to the President of the United States to deal with any emergency that might exist is the only practical manner to handle it.

I did not entirely follow Mr. Poage's position of changing the quotas at all. When the bill was before the committee to extend the present program for 1 year I offered an amendment to give the President the power during that year to readjust or cancel the quotas. That would have made it the same bill that the President sent to the Congress, with one exception, it would have been a 1-year bill, instead of a 4-year bill. That was voted down by a straight partisan vote. I do not know whether it was done on account of partisan politics but it simply so happened that no Democrat was willing to trust the President with that power, and every Republican was willing to trust him with that power.

Mr. HAGEN. For the record, I voted for giving the President the authority to change Cuba's quota downward.

Mr. BELCHER. I beg your pardon—I believe you did.

Mr. BASS. The President has that authority today, the record should show. All he has to do is to declare an emergency. He has the authority.

Mr. BELCHER. When I get through, you can speak.

Mr. Secretary, I want to know if the State Department would be in accord with the 1-year extension with the power given to the President to readjust or cancel quotas during that 1 year?

Secretary HERTER. Yes, we would.

Mr. BELCHER. You prefer that bill over any other bill, except the 4-year extension?

Secretary HERTER. Yes, we do.

Mr. BELCHER. That is all.

The CHAIRMAN. This discussion, it seems to me, is somewhat incompatible with your statement that you do not want a 4-year extension now.

Secretary HERTER. From the outset we were for the 4-year extension.

The CHAIRMAN. That means that you say that you want a 4-year extension, and you do not want to open these quotas for 4 years. How can you readjust the quotas, except by action of the Congress?

Secretary HERTER. Mr. Chairman, I think our feeling about a 4-year bill, as is clearly brought out by what is happening now, is conditioned by the uncertainty of having no bill at all at the present time before the Congress adjourns. We, of course, want to see some bill enacted that will make possible a continuation of the very beneficial aspects of the Sugar Act.

The CHAIRMAN. Let me remind you of this, this act is one of the most complicated and involved acts ever presented to Congress.

Secretary HERTER. I fully agree.

The CHAIRMAN. I want to compliment the members of the sugar industry, because they have always been able, when it came down to the homestretch, to agree.

In 1956 when I presented a bill on sugar legislation before the House, Mr. Hope was on one side and I was on the other—we both said to the House that the bill was so involved and so complicated that time would not even permit us to explain it in detail and that the House would have to take it on faith, and the House took it on faith, and we passed it without any trouble at all.

I do not anticipate any great deal of trouble when we write such legislation, if we go about it in a fair and impartial manner and do the right thing. I think that these gentlemen sitting in these chairs here will cooperate and we will be able to present a bill to the next Congress which will, probably, be universally supported.

Secretary HERTER. Mr. Chairman, I hope that is so. When I speak of a longer term, I speak of it only as an insurance in the event of difficulty. The Congress has always the right to amend the bill.

The CHAIRMAN. I agree that you want that—most of the people want that, because they want to be secure in the fact that they have a quota that they might someday fill, such as the people in Puerto Rico.

Anything might happen on the floor of the House if we should bring it out under an open rule. I have been here long enough to know that I cannot have my way. It is always a proposition of give and take and compromise. If we can stay away from partisan politics, fine; if we do not, the Lord knows what will happen. If we can get together on a bill we can pass it in a few minutes.

Mr. ABERNETHY. Mr. Secretary, I am one of those who find it rather difficult, in view of the situation that exists now in Cuba, to vote on any Sugar Act. On the other hand, I realize the importance of it. I think the act has resulted in profound benefits to the people of our country.

Laying aside my feelings against the present government in Cuba, I am willing to accept the political dangers that go along with voting for my kind of a Sugar Act.

I did not know of this Republican political statement which Mr. Cooley referred to until just a few minutes ago. I want to find out from you—and I think that you can help the passage of this act if you would give us a forthright answer, and I know that you will—whether or not any kind of a Sugar Act which would extend a quota of even 1 ton to Cuba would be regarded as a bonus to support communism?

Secretary HERTER. No. I think that every one of the acts that have been before you involve a very considerable allocation to Cuba.

Mr. ABERNETHY. You would not regard that, even extending as much as a quota of 1 ton to Cuba as a vote for communism?

Secretary HERTER. Well, you mean as a fixed matter that could not be changed under any circumstances?

Mr. ABERNETHY. I did not say that.

Secretary HERTER. I think that was the implication of your statement.

Mr. ABERNETHY. That was not the implication of my statement. I want to know that if I vote to buy 5 cents worth of sugar from Cuba now or later, as long as the present government is in power down there, will it be regarded as a vote for communism? And if you so regard it, I will not vote for any act at all.

Secretary HERTER. No, sir. My thesis all the way through here has been this—and this has been the administration's position from the very beginning—that to merely renew the Sugar Act exactly as it is without any discretionary power on the part of the President as to our national interests or in the interests of an insurance of supply to our own domestic markets, which I understand Mr. Cooley tried to take care of with his amendment, would be granting to Cuba, under existing circumstances, a guarantee that I feel would be an undesirable one.

Mr. ABERNETHY. I feel that the enactment of sugar legislation of some kind now is absolutely essential. My feeling is not strong enough, Mr. Secretary, that I would vote for it, even though it would be only a nickel's worth of sugar, if I would be regarded as having voted for communism, if I so voted for it.

So, if I understand your statement, if I vote to pass out a sugar bill which will grant a quota to Cuba, irrespective of the amount, whether it be for 1 ton or 1 million tons, it is not regarded, as I understand you, as a vote for communism?

Secretary HERTER. I did not put it in those terms.

Mr. ABERNETHY. I am just asking if you do—I want to know. Because I am not going home with a brand upon me as having voted for communism. And it is not a question of the degree of brand—it does not make any difference whether it is 1 million ounces or 1 ounce of sugar. That is what I interpret this political statement to mean. I am trying to get the politics out of the atmosphere. I am not criticizing anybody. I want the Secretary and my colleagues here to know that I feel very strongly that we need legislation, but I cannot vote for legislation, if voting for 1 pound of sugar for Cuba is going to be regarded as a vote for communism. Therefore, I would like to have the Secretary of State state for the record whether or not a vote would be so regarded.

Secretary HERTER. Once again I have to go back to this: What you are indicating is that there be fixed by the Congress, irrevocably, a

quota of some kind, whether it be 1 pound or 1 million pounds for Cuba?

Mr. ABERNETHY. Yes.

Secretary HERTER. That cannot be changed under any circumstances, even if our vital interests so require or we desire it. I think that is an undesirable type of legislation to pass at the present time.

Mr. ABERNETHY. Let me rephrase it. This is the news release of Mr. William Miller of New York, the Republican congressional chairman. I had not seen it until this morning. Here is what he says and I think that this is a very bad statement. It could lead to no Sugar Act at all, I am afraid:

When the Democratic members of the House Agriculture Committee, led by Chairman Harold Cooley of North Carolina, voted on a straight party line basis to increase the annual U.S. commitment to buy sugar from Castro by 165,000 pounds—

in the first place, there was not a straight party line basis vote—they were, in effect, approving a \$150 million annual bonus for communism.

The CHAIRMAN. That is incorrect.

Mr. ABERNETHY. It states:

They were, in effect, approving a \$150 million annual bonus for communism.

I would like to point out that in fact 165,000 additional pounds would not amount to 150 million dollars' worth of sugar. That is what they put out in this press release. I think that ought to be corrected.

You state in your statement that we are now purchasing some 3 million tons from Cuba. But according to this statement—according to this statement that is not a Communist vote, but if I add 165,000 pounds to it I am voting for a bonus for communism.

I would like to ask you, sir, what quantity can I vote for and not be regarded as being a Communist or voting for communism? [Laughter.] I am serious about this. It is not funny. I will vote for whatever you think, or whatever you assure me will not be regarded as a Communist vote. You give me the tonnage, and you can count on my vote.

The CHAIRMAN. The discussion has been on the basis of a continuation of the present program which does not take anything from Cuba and which keeps the quota intact.

Secretary HERTER. That is correct; with the authority in the President—

The CHAIRMAN. That is the administration's present program.

Secretary HERTER (continuing). To reduce it.

The CHAIRMAN. At the moment you are asking for the continuation of the Sugar Act.

Secretary HERTER. Mr. Chairman, may I say this—

Mr. ABERNETHY. May I have an answer now? Will you advise me of the quantity or the tonnage that I can vote for and not be regarded as having voted a bonus for communism?

Secretary HERTER. May I begin by saying this: I served in the House for a good many years.

Mr. ABERNETHY. And very ably.

Secretary HERTER. I have never impugned the motives of a Congressman, no matter what his vote was on any question. I have

always assumed that he was making a genuine vote in the best interests as he saw it of the United States. I still maintain that.

Mr. ABERNETHY. Thank you.

Secretary HERTER. I still maintain that position.

With respect to a specific tonnage, obviously, I cannot answer that question in terms of tons. I am assuming—and I have never seen the statement which you have just read from—I know nothing about it—

Mr. ABERNETHY. Do you not think that it is a rather regrettable statement?

Secretary HERTER. I have only heard one paragraph of it. I do not know what the rest of it is. I am afraid I do not even know the source of it.

Mr. ABERNETHY. Perhaps I should not have asked that question.

Secretary HERTER. But I will say, the question of an additional tonnage over and above the quota which would come as the result of shortages elsewhere would be giving a bonus, certainly, to a government with which we are having very serious difficulties.

Mr. ABERNETHY. I agree with that. The bonus is an infinitesimal amount. We have a commitment of 3 million-some-odd tons. I will not pursue that further.

I have one other question. I want to read one other paragraph from this sheet. It states: "The Cooley action hamstringing our Government," he said, "puts us in the ridiculous position of paying for Castro's growing army," and so forth.

At what level of tonnage can I vote for sugar for Cuba and not be regarded as putting our Government in the position of paying for Castro's growing army? Will you give me that in tons?

Secretary HERTER. No; I cannot give you that in tons.

Mr. ABERNETHY. May I read a little further? That answers me. I apologize for the interruption. It states:

underwriting his seizure of American property.

How much tonnage can I vote for to avoid that stigma being placed upon me?

Secretary HERTER. I do not think that there is a direct relationship there.

Mr. ABERNETHY. And it continues:

subsidizing his trip to Moscow.

Is there any level of tonnage on that? I want to get it in the record, Mr. Chairman. I think we have a right to get it clear here this morning.

The CHAIRMAN. Certainly.

Secretary HERTER. I do not think tonnage is involved in that.

Mr. ABERNETHY. And it goes on:

And his entertainment of Khrushchev in Cuba, and financing his insults to our Nation.

My questions may have appeared to have been facetious, and some regard them as funny, but in all honesty they were not facetious, nor so intended, nor were they propounded in a ridiculous vein.

I think the Secretary fully agrees with the members of the committee that we need to extend the Sugar Act in some manner or form; do you not?

Secretary HERTER. I do.

Mr. ABERNETHY. The answer is "Yes." And you also agree that if I vote to report a bill—that is, if you agree with me, even though it carried only 1 ton to Cuba—that I will not be regarded as having voted a bonus or even cast a vote in support of communism?

Secretary HERTER. That is correct.

Mr. ABERNETHY. Thank you, sir.

I would like to ask that some member—and I do this reluctantly—some member on the minority side deliver the Secretary's answer to Mr. Miller and ask that he issue a correction sheet on this statement.

Secretary HERTER. May I add this, I still feel just as strongly as I testified to at the beginning that the President ought to have the right, while the Congress is out of session, in our national interest to reduce the quota.

Mr. ABERNETHY. I am not differing with you on that. I might vote for that. My point is that I just want to clear this up, so that when I go back to the people of my district, I will not have the charge being put upon me that I voted to finance a Communist government and the like.

The CHAIRMAN. I want to ask one question: If I understand, the principal issue here is that you are now recommending to the committee an extension of the act as is?

Secretary HERTER. I stated that is our purpose.

The CHAIRMAN. So you, certainly, should not be accused of communism because you are supporting what this committee reported, plus the delegation of power?

Secretary HERTER. That is a very important part and consideration.

Mr. HAGEN. I am a Democrat, but I supported the proposition that the President should have the authority. At the same time, I do not believe that anybody should be labeled pro-Castro or pro-Communist for taking an opposite position. I think Mr. Miller was ill-advised in his statement. That is my position.

The CHAIRMAN. Mr. Secretary, to come back to the proposition, this committee reported a bill which I assume you are familiar with continuing the act as is for 1 year with the right of the Secretary to act under certain circumstances to assure an adequate supply. We did not adopt the delegation of power to the President. So you do agree with the committee bill if you add the delegation of power to it?

Secretary HERTER. Yes. On the other hand, I have also said that we can get along with the bill—the last bill that Mr. Hoeven has introduced, if that is the will of the Congress.

Mr. HOEVEN. Exactly—I wanted that in the record.

The CHAIRMAN. Dr. Dixon.

Mr. DIXON. Thank you, Mr. Chairman. I think that as regards to the number of tons we will subsidize Castro, that should be a matter for the President to decide. And if we tie his hands, then we rob him of the bargaining power which he might need, is that not right?

Secretary HERTER. That is right.

Mr. DIXON. So if we tie the President's hands we are, certainly, not acting in the interests of our country. As for myself, I want to give the President of this great country the right to act in these trying times. And please do not count me as one who will tie his hands.

That is my feeling.

Mr. ABERNETHY. Will you yield to me?

Mr. DIXON. I will.

Mr. ABERNETHY. For myself I am not about to say that I am going to depend upon the President of the United States to determine whether or not my action here was Communist or otherwise. I have just about been convinced by virtue of this statement that maybe we should not have any Sugar Act at all, because if we vote, according to this statement—if I vote for 1 pound of sugar for Cuba or 165,000 pounds or 500 million pounds, then I am soft on communism.

The CHAIRMAN. I think that we are all getting excited over a statement made by an utterly irresponsible person. Now go ahead. [Laughter.]

Mr. DIXON. If I might continue then, I am very much in favor of this statement by the Secretary of State on page 2 where he states:

Because of these and other circumstances, this would be an appropriate time for the United States to seek ways to diversify its sources of supply and reduce the dependence of its consumers on Cuban sugar.

First, Cuba might produce a million tons less, because of the distribution of land program and unsettled conditions there.

Second, the contract is for 1 million tons to the Soviet Union.

Third, a transaction with China of one-half million tons of sugar, and with East Germany and Poland, a contract for 60,000 tons and 50,000 tons respectively.

We would be justified in saying that we had better take care of ourselves, would we not? What are we going to do with a trend like that?

I agree with the Secretary when he says:

Because of these and other circumstances, this would be an appropriate time for the United States to seek ways to diversify its sources of supply and reduce the dependence of its consumers on Cuban sugar.

No truer statement was ever made.

Our Secretary has made the statement that we have a deficit in Hawaii and Puerto Rico which the cane sugar and beet sugar people cannot fill.

I have a statement here from Mr. Meyers who conducts the program. He is sitting in the first row there. He says—

the acreage has been reduced slowly because of the full size of the future deficit cannot be forecast a year in advance.

I would like to just address this to our chairman. It deals with a statement that he made about the domestic industry not being able to fill deficits. Mr. Meyers says that the acreage had been reduced slowly, because of the full size of the future deficit could not be forecast a year in advance. The deficit cannot be determined before beets must be planted. That accounts for the beet industry not being able to fill deficits. You just give them a chance by notifying them in advance of the planting and marketing season and see whether or not they can fill deficits.

The CHAIRMAN. Let me interrupt you to say that the Secretary is not prepared to discuss the provisions of the distribution of sugar. I do not think that is a proper question for him. I would like to hold the discussion on the question of policy.

Mr. DIXON. I am addressing it to the Secretary's statement on page 2. I want to determine if he stands behind that statement.

The CHAIRMAN. The Secretary made a perfectly clear statement here.

Mr. DIXON. Our chairman has taken most of the time. Can I not have just 1 or 2 minutes?

The CHAIRMAN. Go ahead. You are making a speech. Ask the question of the witness.

Mr. DIXON. Are you acquainted with the amendment which was placed in the committee bill, I think at my instance, to prevent Castro from holding a club over our head by deferring the shipment of his sugar to us until we were forced to purchase from other suppliers and then dumping all of it on our market?

Do you think that this amendment would take care of the sugar beet people in filling the deficit?

Secretary HERTER. There you are getting into a very technical phase of this. On the beet sugar industry's capacity to do that, Mr. Meyers or Mr. Morse will be testifying here tomorrow, and they can testify better to that than I can.

Mr. DIXON. That is the question that I raised with regard to his amendment which our chairman said took care of the problem. I am maintaining that it would not take care of it, because it would place in the other country's hands pretty much the decision whether they would give us sugar or not until it was too late. We have to know a year in advance before we can take care of this country's needs. That has been our trouble all of the time. And, Mr. Chairman, that is why this amendment will prevent him from dumping it at the last minute on us, but it will not give us notice in time to fill the deficit.

The CHAIRMAN. The Secretary referred that to Mr. Morse and to Mr. Meyers.

Mr. DIXON. Since he brought up the question, and the Secretary was asked the question, if the amendment did not take care of it, he now says that he wants Mr. Meyers to answer it. That is all I asked for.

Mr. HAGEN. Will you yield?

Mr. DIXON. Yes.

Mr. HAGEN. This sugar does not have to come from the domestic beet area. It can come from any country in the world. There is plenty of sugar lying around in these other countries that is not being used. There is no problem of a shortage at all.

The CHAIRMAN. Who said that?

Mr. HAGEN. You said that there would be a shortage of sugar if—

The CHAIRMAN. Where did you get that from? I made no such statement as that. Peru has some, and other countries have some.

Mr. HAGEN. I wanted to make that clear.

The CHAIRMAN. I did not say that.

Mr. HAGEN. You complained about the candy manufacturers, and other users facing shortages if Cuba was cut radically.

The CHAIRMAN. I have not complained about anybody.

Mr. HAGEN. Look at the record.

The CHAIRMAN. Mr. Dixon has the floor.

Mr. DIXON. Mr. Secretary, is there not the inference in your statement here that if we have quotas to give that you prefer to give them to our domestic growers, if they can fill them?

Secretary HERTER. Well, in the original bill we indicated that—

Mr. DIXON. In the original bill. And that is what I am working

for, that we want this bill drawn so that the people from Mrs. May's district who are begging for allotments, who cannot plant an acre, will get it. I think that the bill submitted by Mr. Hoeven is the right legislation.

The CHAIRMAN. The Secretary does not agree with you, so let us move on.

Mr. HOEVEN. He does agree with me.

Mr. DIXON. I do not think that we should give Cuba this windfall of 150,000 tons above the 3.1-million-ton quota. We are giving them a quota. And I do not think that we ought to give them the windfall above that.

Mr. COAD. Will you yield there?

Mr. DIXON. I yield to Mr. Pirnie.

Mr. PIRNIE. It is my understanding that this hearing this morning is to hear the views of the Secretary, who is going to help us to determine how important it is to this country that the delegation of power should reside in the President, so that we might be aware of how much strength we would give him in effect dealing with the delicate situation which we understand we are faced with. And I was hopeful that the testimony this morning, whether given in open or executive session, would enlighten us on that point. I understand the Secretary's views up to this point, and I am in accord with them, which will be helpful, but I, also, understood that the Secretary felt that if he could speak to us in executive session he would make that point clearer.

The CHAIRMAN. We will hear from Mrs. May.

STATEMENT OF HON. CATHERINE MAY, A REPRESENTATIVE IN CONGRESS FROM THE STATE OF WASHINGTON

Mrs. MAY. Mr. Chairman, I feel it is very important that I make some comment for the record on certain statements you made in your opening remarks this morning. The chairman has stated, among other things, that no Member of Congress in this session had requested hearings for sugar legislation. A statement was also made indicating that he had not been requested by organizations representing sugar interests to hold hearings on the proposed changes in the Sugar Act. And, finally, he stated that no member of the committee had introduced a bill requested by the administration.

Since I am a Member of Congress representing a large sugar beet growing area, I feel it is very important that the record state at this point that, starting early in the 1st session of the 86th Congress, in February of 1959 to be exact, I contacted the chairman of this committee, as well as Mr. Hoeven, the ranking minority member, to ascertain when this committee would be considering sugar legislation. This was a very natural thing for me to do in that my beet growers were very concerned over extension of the act, so that they might have the vital information they needed for programing their sugar beet planting.

It was indicated by the chairman to me on these occasions, and also during informal discussion in committee meeting on three different occasions, that there had been a general agreement that, with the Cuban situation so fluid and uncertain, it would be better not to take any action on extension of the Sugar Act in the 1st session of the

86th Congress. In interviews with representatives of the State Department and representatives of the sugar organizations, they indicated they were in agreement with this decision. On my return to my district in the fall, I explained to my growers this decision on the part of those who had the power and the responsibility for calling up this legislation for consideration. At that time, I quoted the chairman's statement to me on this and explained to them that those close to the situation seemed to feel that this was a sound decision made in the best national interest. Having been assured that this legislation would definitely have to be considered in the 2d session of the 86th Congress, because the act was due to expire on December 31, 1960, I introduced two bills requesting extension of the act and certain changes therein. These bills were H.R. 9985, introduced January 27, 1960, and H.R. 10576, introduced February 22, 1960. I then contacted the chairman and my ranking minority leader, Mr. Hoeven, urging them to hold hearings on these bills. I also have verbal assurance and copies of letters in my file showing definitely that representatives of the Sugar Beet Association, as well as other organizations representing sugar interests, had been requesting that the Agriculture Committees in the House and Senate bring up these various bills for consideration. I would also point out that, in both of these bills which I introduced, and in several other bills pertaining to sugar introduced by my colleagues in Congress, there is contained the provision requested by the administration giving the President needed authority to change foreign quotas when it was deemed to be in the best national interest.

At this time, I do not question the chairman's decision to delay consideration of sugar legislation until so late in the session. Nor do I question his sincerity in his belief, under a very difficult international situation, that this was the best procedure. I do want it shown clearly in the record, however, that there were those of us who did not share his viewpoint and did make requests that the Sugar Act extension be considered early in the 2d session of the 86th Congress.

The CHAIRMAN. We will go into executive session immediately as soon as Mr. McIntire has finished. Go ahead, Mr. McIntire.

Mr. MCINTIRE. I want to express my appreciation to the Secretary for his statement on this matter. I would like to ask a question:

In view of the fact that reference was made in the preceding discussion that the proposal as presented in the last bill introduced by Mr. Hoeven would be a change of policy in relation to the 55-45 formula participation in the growth, I would like to ask, Mr. Secretary, if you will have some of those in the Department who are conversant with the details of this legislation and the previous policies, so far as the State Department is concerned, to look at this bill of Mr. Hoeven's which, after all, is basically dealing only with the growth factor as it occurs in relation to Cuba, and dealing then with the deficit and the distribution of the deficit as to whether or not the provisions in the Hoeven bill are a change in policy. It seems to me this is only a temporary measure, meeting a situation of the moment, and an attempt, I think, to reflect the desire of many people not to pass any particular bonuses along to the Cuban Government at this time, but it is not a matter of basic purpose. And, frankly, I feel that the 55-45 formula is not being violated by any change, by the proposal of Mr. Hoeven.

I would appreciate a brief review being made on the part of the Department of State to give us the benefit of a further observation on that.

Secretary HERTER. I will be very glad to do that. And if you would like, I will have inserted into the record at this point.

Mr. McINTIRE. Yes, sir.

The CHAIRMAN. It will be made a part of the record.
(The information follows:)

THE 55-45 FORMULA

When sugar legislation was last considered by the Congress in 1955 and 1956, the administration recommended that increases in sugar consumption in the United States over the level of 8,350,000 tons should be apportioned between domestic areas and foreign countries in the ratio of 55-45 respectively. The Congress accepted this formula as a fair and equitable division of our steadily increasing market, and it was written into the law presently in effect. The Department of State continues to believe it is an important principle which should be maintained in the future.

Section 1 of the third bill introduced by Mr. Hoeven (H.R. 12624) provides that the Cuban quota shall not be increased above its present level, and that the quantity which would otherwise be allocated to Cuba shall be allocated to the domestic areas. In effect this provision contravenes the 55-45 principle, for increases in growth that would normally accrue to Cuba are not allocated to other foreign countries but to domestic areas. This of course would increase the share of the domestic areas above 55 percent of the growth of our market. When Secretary Herter indicated he could "live with" H.R. 12624 if it were the desire of the Congress, he did so in the knowledge that the extension of the Sugar Act under consideration was for 1 year only amid unusual circumstances affecting our principal foreign supplier. As the proposed legislation was not a normal extension of the Sugar Act for an extended period of years, it was not considered that the basic principle embodied in the 55-45 formula was being substantially altered.

The CHAIRMAN. Mr. Bass.

Mr. BASS. Is it not a fact that the President of the United States now has the authority, if he so desires, by declaring a national emergency exists between this country and Cuba, to revise, cancel or downgrade or do anything he wants with reference to the purchase of sugar from Cuba?

Secretary HERTER. I am not in a position to answer that categorically. This, I assume from your question, would mean that he would acquire certain war powers on declaring an emergency, but I am not sure that those war powers can be given to him without special act of the Congress.

Mr. BASS. It would not necessarily have to come to that.

Mr. Chairman, did not the Attorney General write us in answer to a request of yours that the President would have the authority in case he declared a state of emergency existed between this country and Cuba to do that?

The CHAIRMAN. He did.

Mr. BASS. Now, Mr. Chairman, may I ask for order?

Mr. CHAIRMAN. Go right ahead.

Mr. BASS. When the vital interests, as you state—the vital interests internationally, even from the standpoint of diplomacy or from the standpoint of economics—when the vital interests of this country are involved to the point where the President would want to bring about economic reprisals by withdrawing our trade, would you not state as the Secretary of State that an emergency really does exist between this country and Cuba in those circumstances?

Secretary HERTER. This is a question very clearly for the Attorney General or a lawyer to answer, because it involves the whole question of war powers that I do not feel that I could answer categorically at

this point. I will be very glad to examine the message that you have from the Attorney General on this point and do my best to get an answer in the record.

Mr. BASS. If the President of the United States said that a state of emergency actually existed between the two countries, would it not?

Secretary HERTER. There are many implications that go into that, that might well be beyond the question of a quota arrangement with Cuba.

Mr. BASS. With reference to this little poop sheet that we have heard about this morning, which, I think, is a most unfortunate incident, it bears out my feeling that it would be wrong in this election year to drastically change the Sugar Act or to do any more than, perhaps, have a 6-month or 1-year extension, because it appears to me now that an attempt is being made by political aspirants on the other side of the aisle to show that there can be a microfilm in a sugar beet as well as in a pumpkin.

The CHAIRMAN. Not the Attorney General, that came from one of the attorneys in the Department, that in an emergency the President might do that.

Mr. HOEVEN. I want to make clear that the President does now have the authority to lift all quotas, not specifically as to Cuba, which my bill provides for.

The CHAIRMAN. Mr. Coad is recognized.

Mr. COAD. I have one question. When Mr. Abernethy was questioning you a few minutes ago about the tonnage aspect, that is at what point it would be taken as a position of being soft on communism or giving a bonus to Castro, in your response to his questions I notice that the inference was there that if we voted on a bill that established definite quotas for Cuba, without Presidential authority to lift those quotas, that that statement would stand. Is that true or false?

Secretary HERTER. That is correct. I feel that it would be very inadvisable at the present time to pass an inflexible act which would definitely guarantee under all circumstances, until the Congress met again, a specific quota to Cuba.

Mr. COAD. In other words, if we voted a definite quota bill to Cuba without Presidential authority you do, in fact, agree with that statement that has been referred to here this morning?

Secretary HERTER. I would not say that I would agree with the wording, but I would say that it would be an unfortunate thing, I think, from the point of view of our foreign policy posture to have a bill of that kind on the statute books.

Mr. COAD. I am led to assume that you do not in any regard or in any degree repudiate that statement?

Secretary HERTER. You mean this statement? This statement that was read to me in pieces for the first time? I have never seen it. I do not know where it came from or anything about it.

Mr. COAD. By your statement I am assuming that you do not repudiate it, because if there is a bill——

The CHAIRMAN. He has not seen it. He has so said.

Mr. COAD. I understand that.

The CHAIRMAN. All right, we will go into executive session.

(Whereupon, at 11:40 a.m., the committee proceeded into executive session.)

LEGISLATIVE HISTORY

Public Law 86-592
H. R. 12311

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Index and summary of H. R. 12311.....	1
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INDEX AND SUMMARY OF H. R. 12311

- Jan. 12, 1959 Sen. Ellender and others introduced S. 187 which was referred to the Senate Finance Committee. Print of bill as introduced.
- Jan. 29, 1959 Rep. Berry introduced H. R. 3707 which was referred to the House Agriculture Committee. Print of bill as introduced.
- Mar. 25, 1959 Rep. Dixon introduced H. R. 6041 which was referred to the House Agriculture Committee. Print of bill as introduced.
- Jan. 13, 1960 Rep. Thomson, Wyoming, introduced H. R. 9595 which was referred to the House Agriculture Committee. Print of bill as introduced.
- Jan. 27, 1960 Sen. Dworshak introduced S. 2924 which was referred to the Senate Finance Committee. Print of bill as introduced.
- Mar. 16, 1960 Sen. Bennett and others introduced and Sen. Bennett discussed S. 3210 which was referred to the Senate Finance Committee. Print of bill as introduced and remarks of Sen. Bennett.
- Mar. 30, 1960 Sen. Church urged enactment of S. 3210 and submitted an amendment he proposed to the bill. Remarks of Sen. Church and print of amendment.
- Apr. 14, 1960 Sen. Ellender and others introduced and Sen. Ellender discussed S. 3361 which was referred to the Senate Finance Committee. Print of bill as introduced and remarks of Sen. Ellender.
- Apr. 25, 1960 Sen. Church submitted and discussed his proposed amendment to S. 3361.
- Sen. Bennett added to list of cosponsors of S.3361.
- Apr. 27, 1960 Sen. Goldwater submitted his proposed amendment to S. 3210.
- May 9, 1960 Sen. Smathers introduced and discussed S. 3508 which was referred to the Senate Finance Committee. Print of bill as introduced and remarks of Sen. Smathers.
- May 19, 1960 Rep. Cooley introduced H. R. 12311 which was referred to the House Agriculture Committee. Print of bill as introduced.

INDEX AND SUMMARY OF H. R. 12311, cont'd:

June	1, 1960	House committee voted to report (but did not actually report) H. R. 12311 with amendment.
June	6, 1960	House committee reported H. R. 12311 with amendment. H. Report No. 1746. Print of bill and report.
June	9, 1960	Summary of H. R. 12311 as reported by House committee.
June	27, 1960	House Agriculture Committee approved a committee amendment to be offered to H. R. 12311.
June	29, 1960	Rules Committee reported a resolution for the consideration of H. R. 12311. H. Res. 588, H. Report No. 2038. Print of resolution and report. Rep. Cooley summarized the provisions of H. R. 12311.
June	30, 1960	House passed H. R. 12311 with amendment.
July	1, 1960	Senate received H. R. 12311 as passed by House. Print of bill. Senate committee reported S. J. Res. 217 without amendment. S. Report No. 1833. Print of bill and report.
July	2, 1960	Senate passed S. J. Res. 217 with amendment. House agreed to H. Res. 598 providing for return of S. J. Res. 217 to the Senate without action. Print of resolution. Senate passed H. R. 12311 with amendments. House and Senate conferees were appointed. Both Houses received and agreed to the conference report. H. Report No. 2090. Print of report.
July	6, 1960	Approved: Public Law 86-592.

DIGEST OF PUBLIC LAW 86-592

AMENDMENTS TO SUGAR ACT OF 1948. Amends the Sugar Act of 1948, as amended, as follows:

Extends the Sugar Act through March 31, 1961.

Directs the President to determine the quota for Cuba for the balance of the calendar year 1960 and for the three months period ending March 31, 1961. In no event may the determined quota for Cuba exceed that which would otherwise be established under Title II of the Act.

Authorizes the President to cause or permit to be brought or imported into or marketed in the United States from such sources as he deems appropriate a quantity not in excess of the quantity by which the quota for Cuba is reduced.

The portion of the quota-reduction-quantity equivalent to that part of domestic area deficits which otherwise would be prorated to Cuba may be allocated to other domestic areas.

The remaining quantity of the reduction, the President is authorized to purchase as raw sugar as follows:

(1) First, there shall be purchased from Haiti, Netherlands, China, Panama and Costa Rica, a quantity which would permit a total, including quota quantities, of 10,000 tons to be imported from each country. At the present level of total quotas, 9,400,000 tons, 28,391 short tons, raw value, could be purchased from this group of countries.

(2) Then, 15 percent of the remainder of the reduction shall be purchased from the Republic of the Philippines.

And 85 percent of the remainder of the reduction shall be purchased from other countries which have quotas under Section 202(c) of the Act pro rata to those quotas. Those countries are:

Peru	United Kingdom
Dom. Republic	Belgium
Mexico	British Guiana
Nicaragua	Hong Kong
Canada	

(3) If additional quantities are required, purchases may be made from any countries without regard to allocations.

(4) If raw sugar is not reasonably available, the President may cause or permit the required quantity of direct-consumption sugar to be imported.

IN THE SENATE OF THE UNITED STATES

JANUARY 12, 1959

Mr. ELLENDER (for himself, Mr. BENNETT, Mr. LONG, Mr. MANSFIELD, Mr. ENGLE, Mr. DWORSHAK, Mr. CARLSON, Mr. PROXMIRE, Mr. CURTIS, Mr. HOLLAND, Mr. O'MAHONEY, Mr. SMATIERS, Mr. ALLOTT, Mr. YOUNG of North Dakota, Mr. McGEE, Mr. MOSS, Mr. CHURCH, Mr. MURRAY, Mr. HRUSKA, Mr. BARTLETT, Mr. BIBLE, Mr. MORSE, Mr. NEUBERGER, Mr. KUCHEL, Mr. CASE of South Dakota, Mr. MCCARTHY, Mr. MUNDT, Mr. MARTIN, Mr. DIRKSEN, Mr. SCHOEPEL, Mr. HICKENLOOPER, Mr. WILEY, Mr. HUMPHREY, Mr. MAGNUSON, Mr. LANGER, Mr. JACKSON, Mr. YOUNG of Ohio, Mr. McNAMARA, Mr. THURMOND, Mr. EASTLAND, Mr. LAUSCHE, Mr. HAYDEN, Mr. CARROLL, Mr. STENNIS, Mr. CHAVEZ, Mr. HART, Mr. CANNON, and Mr. CAPEHART) introduced the following bill; which was read twice and referred to the Committee on Finance

A BILL

To make permanent the provisions of the Sugar Act of 1948.

1 *Be it enacted by the Senate and House of Representa-*
2 *tives of the United States of America in Congress assembled,*
3 That section 412 of the Sugar Act of 1948 (relating to
4 termination of the powers of the Secretary of Agriculture
5 under the Act) is hereby repealed.

6 SEC. 2. Sections 4501 (c) and 6412 (d) (relating to
7 the termination of taxes on sugar) of the Internal Revenue
8 Code of 1954 are hereby repealed.

A BILL

To make permanent the provisions of the
Sugar Act of 1948.

By Mr. ELLENDER, Mr. BENNETT, Mr. LONG, Mr. MANS-
FIELD, Mr. ENGLE, Mr. DWORSHAK, Mr. CARLSON,
Mr. PROXMIRE, Mr. CURTIS, Mr. HOLLAND, Mr.
O'MAHONEY, Mr. SMATHERS, Mr. ALIOTT, Mr.
YOUNG of North Dakota, Mr. MCGEE, Mr. MOSS,
Mr. CHURCH, Mr. MURRAY, Mr. HRUSKA, Mr. BART-
LETT, Mr. RIBLE, Mr. MORSE, Mr. NEUBERGER, Mr.
KUCHEL, Mr. CASE of South Dakota, Mr. Mc-
CARNEY, Mr. MUNDT, Mr. MARTIN, Mr. DIRKSEN,
Mr. SCHORREL, Mr. HICKENLOOPER, Mr. WILEY, Mr.
HUMPHREY, Mr. MAGNUSON, Mr. LANGER, Mr. JACK-
SON, Mr. YOUNG of Ohio, Mr. McNAMARA, Mr.
THURMOND, Mr. EASTLAND, Mr. LAUSCHE, Mr.
HAYDEN, Mr. CARROLL, Mr. STENNIS, Mr. CHAVEZ,
Mr. HART, Mr. CANNON, and Mr. CAPEHART

JANUARY 12, 1959

Read twice and referred to the Committee on Finance

86TH CONGRESS
1ST SESSION

H. R. 3707

IN THE HOUSE OF REPRESENTATIVES

JANUARY 29, 1959

Mr. BERRY introduced the following bill; which was referred to the Committee on Agriculture

A BILL

To make permanent the provisions of the Sugar Act of 1948.

1 *Be it enacted by the Senate and House of Representa-*
2 *tives of the United States of America in Congress assembled,*
3 That section 412 of the Sugar Act of 1948 (relating to
4 termination of the powers of the Secretary of Agriculture
5 under the Act) is hereby repealed.

6 SEC. 2. Sections 4501 (c) and 6412 (d) (relating to
7 the termination of taxes on sugar) of the Internal Revenue
8 Code of 1954 are hereby repealed.

I

86TH CONGRESS
1ST SESSION

H. R. 3707

A BILL

To make permanent the provisions of the Sugar
Act of 1948.

By Mr. BERRY

JANUARY 29, 1959

Referred to the Committee on Agriculture

H. R. 6041

IN THE HOUSE OF REPRESENTATIVES

MARCH 25, 1959

Mr. DIXON introduced the following bill; which was referred to the Committee on Agriculture

A BILL

To extend for six years the Sugar Act of 1948, as amended.

1 *Be it enacted by the Senate and House of Representa-*
2 *tives of the United States of America in Congress assembled,*
3 That section 412 of the Sugar Act of 1948, as amended
4 (relating to termination of the powers of the Secretary under
5 the Act), is amended by striking out "1960" in each place
6 it appears therein and inserting in lieu thereof "1966".

7 SEC. 2. Sections 4501 (c) and 6412 (d) of the Internal
8 Revenue Code of 1954, as amended (relating to the ter-
9 mination of taxes on sugar), are amended by striking out
10 "1961" in each place it appears therein and inserting in lieu
11 thereof "1967".

86TH CONGRESS
1ST SESSION

H. R. 6041

A BILL

To extend for six years the Sugar Act of 1948,
as amended.

By Mr. DIXON

MARCH 25, 1959

Referred to the Committee on Agriculture

86TH CONGRESS
2D SESSION

H. R. 9595

IN THE HOUSE OF REPRESENTATIVES

JANUARY 13, 1960

Mr. THOMSON of Wyoming introduced the following bill; which was referred to the Committee on Agriculture

A BILL

To amend the Sugar Act of 1948 with respect to the proration of quotas in the case of Cuba.

1 *Be it enacted by the Senate and House of Representa-*
2 *tives of the United States of America in Congress assembled,*
3 That section 202 (c) (2) of the Sugar Act of 1948 is
4 amended by adding at the end thereof the following new
5 sentence: "The quota established for Cuba by the application
6 of the foregoing provisions of this paragraph shall be re-
7 duced by the amount, if any, necessary to assure that the
8 quota for Cuba does not exceed three million sixty thousand
9 short tons, raw value; and an amount equal to any such re-
10 duction shall be added to the quotas established for domestic
11 sugar-producing areas by apportioning such reduction among

1 such quotas on the basis of the relative amounts of the quotas
2 established under subsection (a).”

3 SEC. 2. Section 412 of the Sugar Act of 1948 is hereby
4 repealed.

5 SEC. 3. Sections 4501 (c) and 6412 (d) of the Internal
6 Revenue Code of 1954 are hereby repealed.

86TH CONGRESS
2D SESSION

H. R. 9595

A BILL

To amend the Sugar Act of 1948 with respect to
the proration of quotas in the case of Cuba.

By Mr. THOMSON of Wyoming

JANUARY 13, 1960

Referred to the Committee on Agriculture

S. 2924

AN ACT TO AMEND THE ACT TO INCORPORATE

INCORPORATED

AND TO AMEND THE ACT TO INCORPORATE
AND TO AMEND THE ACT TO INCORPORATE

A BILL

TO AMEND THE ACT TO INCORPORATE

AND TO AMEND THE ACT TO INCORPORATE

86TH CONGRESS
2D SESSION

S. 2924

IN THE SENATE OF THE UNITED STATES

JANUARY 27, 1960

Mr. DWORSHAK introduced the following bill; which was read twice and referred to the Committee on Finance

A BILL

To amend the provisions of the Sugar Act of 1948, as amended.

1 *Be it enacted by the Senate and House of Representa-*
2 *tives of the United States of America in Congress assembled,*
3 That section 202 (a) (1) of the Sugar Act of 1948 is amended
4 by striking out in the table the figures "1,800,000" and
5 "500,000" and inserting in lieu thereof "2,100,000" and
6 "600,000", respectively.

7 SEC. 2. Section 202 (a) (1), section 202 (a) (2), and
8 section 202 (c) (2) of said Act are amended by striking out
9 the phrase "four million four hundred and forty-four thou-
10 sand" in each place it appears therein and inserting in lieu
11 thereof "four million eight hundred and forty-four thousand."

1 SEC. 3. That the increases in domestic production herein
2 provided shall be deducted from quotas and production allo-
3 cated at the present time to Cuba.

4 SEC. 4. The amendments made by this Act shall become
5 effective January 1, 1961.

86TH CONGRESS
2D SESSION

S. 2924

A BILL

To amend the provisions of the Sugar Act of
1948, as amended.

By Mr. DWORSHAK

JANUARY 27, 1960

Read twice and referred to the Committee on Finance

86TH CONGRESS
2D SESSION

S. 3210

IN THE SENATE OF THE UNITED STATES

MARCH 16, 1960

Mr. BENNETT (for himself, Mr. ALLOTT, Mr. CHURCH, Mr. FONG, Mr. YOUNG of North Dakota, and Mr. DWORSHAK) introduced the following bill; which was read twice and referred to the Committee on Finance

A BILL

To amend and extend the provisions of the Sugar Act of 1948,
as amended.

1 *Be it enacted by the Senate and House of Representa-*
2 *tives of the United States of America in Congress assembled,*
3 That section 202 (a) (1) of the Sugar Act of 1948, as
4 amended, is amended by striking out in the table the figure
5 “1,800,000” and “500,000” and inserting in lieu thereof
6 “1,950,000” and “550,000”, respectively. Section 202 (a)
7 (1), section 202 (a) (2), and section 202 (c) (2) of such
8 Act, are amended by striking out the phrase “four million
9 four hundred and forty-four thousand” in each place it ap-
10 pears therein and inserting in lieu thereof “four million six
11 hundred and forty-four thousand.”

1 SEC. 2. (a) Section 204 (a) of such Act is amended
2 to read as follows:

3 “(a) The Secretary shall from time to time determine
4 whether, in view of the current inventories of sugar, the esti-
5 mated production from the acreage of sugarcane or sugar
6 beets planted, the normal marketings within a calendar year
7 of new-crop sugar, and other pertinent factors, any area or
8 country may be unable to market the quota or proration
9 thereof for such area or country. If the Secretary finds that
10 any area or country may be unable to market the quota or
11 proration thereof for such area or country, he shall prorate
12 an amount equal to the deficit so determined to other areas
13 and countries as provided in the following paragraphs 1
14 through 9, and, except as provided in subsection (b) of this
15 section he shall revise accordingly the quotas and prorations
16 of quotas affected by such proration of a deficit.

17 “(1) Any deficit in the quota for the domestic beet
18 sugar area shall be prorated to the other domestic areas on
19 the basis of the quotas then in effect: *Provided*, That if any
20 such area is unable to fill its proration the unfilled balance of
21 such proration shall be added to the deficit prorated to the
22 other such areas.

23 “(2) Any deficit in the quota for the mainland cane

1 sugar area shall be prorated to Hawaii, Puerto Rico, and the
2 Virgin Islands on the basis of the quotas then in effect:
3 *Provided*, That if any such area is unable to fill its proration
4 the unfilled balance of such proration shall be added to the
5 deficit prorated to the other such areas.

6 “(3) Any deficit in the quota for Hawaii shall be pro-
7 rated to the domestic beet sugar area and the mainland
8 cane sugar area on the basis of the quotas then in effect:
9 *Provided*, That if one such area is unable to fill its proration,
10 the unfilled balance of such proration shall first be added to
11 the deficit prorated to the other such area: *And provided*
12 *further*, That if both such domestic areas are unable to fill
13 such deficit then the unfilled balance thereof shall be pro-
14 rated to Puerto Rico and the Virgin Islands on the basis of
15 the quotas then in effect.

16 “(4) Any deficit in the quota for Puerto Rico or the
17 Virgin Islands shall be prorated 96 per centum to Cuba and
18 4 per centum to other foreign countries for which quotas or
19 prorations thereof of more than one thousand short tons, raw
20 value, have been established under subsection 202 (c) : *Pro-*
21 *vided*, That if either Cuba or such other foreign countries as
22 a group is unable to fill its proration of deficit the unfilled
23 balance of such proration shall be added to the deficit pro-

1 rated to the other: *And provided further*, That the proration
2 of deficit to such other foreign countries shall be prorated
3 among such countries to the extent that they may be able to
4 fill such deficit on the basis of the quota prorations then in
5 effect for such countries.

6 “(5) Whenever the Secretary finds that the application
7 of the provisions of paragraphs 1 through 4 of this subsection
8 may result in an unfilled proration of a deficit in the quota for
9 any domestic area, he shall add such unfilled balance of such
10 deficit to the quota for Cuba to the extent that Cuba may be
11 able to fill such unfilled balance.

12 “(6) Any deficit in the quota for Cuba shall be prorated
13 to the domestic areas on the basis of the quotas established
14 pursuant to section 202: *Provided*, That if any such area
15 is unable to fill its proration of deficit the unfilled balance
16 of such proration shall be prorated to other foreign countries
17 for which prorations of quota of more than one thousand
18 short tons, raw value, have been established under section
19 202 (c) to the extent that they may be able to fill such
20 deficit on the basis of the quota prorations then in effect for
21 such countries.

22 “(7) Any deficit in the quota for the Republic of the
23 Philippines shall be prorated 96 per centum to Cuba and
24 4 per centum to other foreign countries for which quotas or
25 prorations thereof of more than one thousand short tons,

1 raw value, have been established under subsection 202 (c) ,
2 such 4 per centum to be prorated among such foreign coun-
3 tries, to the extent that they may be able to fill such deficit,
4 on the basis of the quota prorations then in effect for such
5 countries.

6 “(8) Any deficit in any proration of a quota to a foreign
7 country other than Cuba and the Republic of the Philippines
8 shall be prorated among the other such foreign countries for
9 which prorations of a quota of more than one thousand short
10 tons, raw value, have been established under subsection
11 202 (c) , on the basis of the quota prorations to such coun-
12 tries then in effect: *Provided*, That the unfilled balance of
13 any deficit prorated to any such country shall first be pro-
14 rated to the other such countries having prorations of more
15 than one thousand short tons, raw value, under subsection
16 202 (c) to the extent that they may be able to fill such
17 deficit, and any remaining deficit in the total prorations of
18 quota to foreign countries other than Cuba established under
19 subsection 202 (c) shall be added to the quota for Cuba.

20 “(9) Whenever the Secretary finds that the application
21 of the provisions of paragraphs 1 through 8 of this subsec-
22 tion may result in an unfilled portion of a deficit in the quota
23 for any area or in the proration of a quota for any foreign
24 country, he may apportion such unfilled portion of a deficit

1 on such basis and to such areas or countries (whether or
2 not such areas or countries have been assigned quotas under
3 sec. 202) as he determines is necessary to fill such
4 deficit.”

5 (b) Subsection (b) of section 204 of such Act is re-
6 designated as subsection “(c)” of section 204 and such
7 subsection is deleted effective as of January 1, 1961; sub-
8 section (c) of section 204 of such Act is redesignated sub-
9 section “(b)” and is amended to read as follows:

10 “(b) The quotas for any domestic area or the Republic
11 of the Philippines as established under the provisions of sec-
12 tion 202 shall not be reduced by reason of any determination
13 of a deficit existing in any calendar year under the provisions
14 of this section.”

15 SEC. 3. Section 408 of said Act is amended to designate
16 such section as subsection “(a)” and to add a new sub-
17 section “(b)” as follows:

18 “(b) Notwithstanding the provisions of title II of this
19 Act, (1) whenever the President finds and proclaims that
20 it is necessary, in the national interest or to insure adequate
21 supplies of sugar, to reduce the quota for a calendar year
22 for any foreign country, other than the Republic of the
23 Philippines, he shall by proclamation decrease such quota
24 in such amount as he shall determine to be necessary; (2)
25 for the purpose of meeting the requirements of consumers in

1 the United States, the Secretary is authorized to cause or
2 permit to be imported into the United States, in such
3 manner, from such sources and subject to such terms and
4 conditions as he deems appropriate under the prevailing
5 circumstances, a quantity of raw sugar, not in excess of
6 the sum of any reductions in quotas made pursuant to this
7 subsection; (3) where the Secretary determines it appro-
8 priate to the manner in which he exercises such authority,
9 he shall take into consideration allocating such quantity of
10 sugar to the other countries for which quotas or prorations
11 thereof are provided for in section 202 (c) on the basis of
12 the quotas or prorations thereof for such countries then in
13 effect, to the extent such countries may be able to supply
14 such quantity; and (4) if the Secretary finds that raw
15 sugar is not reasonably available, he may, as provided in
16 (2) above, cause or permit to be imported such quantity
17 of sugar in the form of direct-consumption sugar as may be
18 required.

19 SEC. 4. Section 412 of said Act is amended by strik-
20 ing out "1960" in each place it appears therein and insert-
21 ing in lieu thereof "1964".

22 SEC. 5. Sections 4501 (c) and 6412 (d) of the Internal
23 Revenue Code of 1954 are amended by striking out "1961"
24 in each place it appears therein and inserting in lieu thereof
25 "1965".

1 SEC. 6. The amendments made hereby to the Sugar
2 Act of 1948 and to the Internal Revenue Code of 1954
3 shall become effective as of January 1, 1961, except that
4 subsection 2 (b) and section 3 hereof shall become effective
5 upon the date of the enactment of this Act.

86TH CONGRESS
2D SESSION

S. 3210

A BILL

To amend and extend the provisions of the
Sugar Act of 1948, as amended.

By Mr. BENNETT, Mr. ALLOT, Mr. CHURCH,
Mr. FONG, Mr. YOUNG of North Dakota, and
Mr. Dvorshak

MARCH 16, 1960

Read twice and referred to the Committee on Finance

REPORT ENTITLED "PATENTS,
TRADEMARKS, AND COPYRIGHTS"
(S. REPT. NO. 1202)

Mr. EASTLAND (for Mr. O'MAHONEY). Mr. President, from the Committee on the Judiciary, pursuant to Senate Resolution 53 as extended, I submit a report entitled "Patents, Trademarks, and Copyrights," and ask that it be printed.

The PRESIDENT pro tempore. The report will be received and printed, as requested by the Senator from Mississippi.

BILLS INTRODUCED

Bills were introduced, read the first time, and, by unanimous consent, the second time, and referred as follows.

By Mr. MUNDT:

S. 3208. A bill to provide for the payment for individual Indian and tribal lands of the Lower Brule Sioux Reservation in South Dakota, required by the United States for the Big Bend Dam and Reservoir project on the Missouri River, and for the rehabilitation, social and economic development of the members of the Lower Brule Sioux Tribe, and for other purposes; and

S. 3209. A bill to provide for the payment for individual Indian and tribal lands of the Crow Creek Sioux Reservation in South Dakota, required by the United States for the Big Bend Dam and Reservoir project on the Missouri River, and for the rehabilitation, social and economic development of the members of the Crow Creek Sioux Tribe, and for other purposes; to the Committee on Interior and Insular Affairs.

(See the remarks of Mr. MUNDT when he introduced the above bills, which appear under a separate heading.)

By Mr. BENNETT:

S. 3210. A bill to amend and extend the provisions of the Sugar Act of 1948, as amended; to the Committee on Finance.

(See the remarks of Mr. BENNETT when he introduced the above bill, which appear under a separate heading.)

By Mr. MANSFIELD (for himself and Mr. KUCHEL):

S. 3211. A bill to establish the Richard L. Neuberger National Seashore, and for other purposes; to the Committee on Interior and Insular Affairs.

(See the remarks of Mr. MANSFIELD when he introduced the above bill, which appear under a separate heading.)

By Mr. BIBLE (for himself and Mr. CANNON):

S. 3212. A bill to direct the Secretary of the Interior to convey certain public lands in the State of Nevada to the county of Mineral, State of Nevada; to the Committee on Interior and Insular Affairs.

(See the remarks of Mr. BIBLE when he introduced the above bill, which appear under a separate heading.)

By Mr. KEFAUVER:

S. 3213. A bill for the relief of Dr. Anwar Amin Anthony; to the Committee on the Judiciary.

By Mr. ANDERSON:

S. 3214. A bill to clarify the law with respect to transportation of airmail, and for other purposes; to the Committee on Post Office and Civil Service.

By Mr. MORSE:

S. 3215. A bill to designate the John Day lock and dam on the Columbia River, Oreg., and Wash., as the Richard L. Neuberger lock and dam; to the Committee on Public Works.

(See the remarks of Mr. MORSE when he introduced the above bill, which appear under a separate heading.)

RESOLUTION

AUTHORIZATION TO PRINT AS A
SENATE DOCUMENT A STUDY EN-
TITLED "USING OUR FARM PRO-
DUCTIVE POWERS FOR HUMAN
PROGRESS AND PEACE"

Mr. HUMPHREY submitted a resolution (S. Res. 291) authorizing the printing as a Senate document a study entitled "Using Our Farm Productive Powers for Human Progress and Peace," which was referred to the Committee on Rules and Administration.

(See the above resolution printed in full when submitted by Mr. HUMPHREY, which appears under a separate heading.)

PAYMENT FOR CERTAIN INDIVID-
UAL INDIAN AND TRIBAL LANDS,
SOUTH DAKOTA

Mr. MUNDT. Mr. President, I introduce, for appropriate reference, two bills which propose reimbursement to the Lower Brule and Crow Creek Sioux Tribes and their individual members for the tribal and individually held trust lands, which are to be taken by the United States for the Big Bend Dam and Reservoir project on the Missouri River.

These bills also authorize the appropriation of funds to be used for the purposes of social and economic rehabilitation of the individual members of these two Sioux Indian Tribes.

Mr. President, construction activities by the Corps of Engineers are already in progress on the Big Bend Dam, which is to be located between the Oahe and Fort Randall Dams on the Missouri River in South Dakota. If construction proceeds according to current plans and estimates, it is expected that closure of the Big Bend Dam will take place in 1962. This means that within less than 3 years this dam will begin impounding water which will inundate lands on the Lower Brule and Crow Creek Reservations, thus necessitating the relocation of many Indian families.

Mr. President, this will be the second time in less than 5 years that these tribes and their members have been dispossessed of lands located on their reservations because of the construction of multipurpose dam facilities on the Missouri River by the Federal Government. In 1955 members of these tribes were forced to leave their homes and lands in connection with the Fort Randall Dam construction. On the occasion of that dispossession, the Federal Government was shockingly dilatory in compensating these tribes and their individual members for the tangible and intangible damages suffered in the displacement from their lands and homes. As a matter of fact the reservoir waters of Fort Randall had inundated much of this land for a period of over 3 years before Congress finally adopted legislation to compensate these tribes for their losses. This long delay in payment caused serious hardship among the members of the Lower Brule and Crow Creek Tribes, which could have been prevented had Congress and the Federal agencies in-

volved taken prompt and appropriate action to compensate, relocate and rehabilitate these tribes and their individual members.

Mr. President, the only fair conclusion which can be drawn is that the United States failed these good Indian people on the occasion of the Fort Randall Dam construction. I earnestly pray that this shabby treatment will not be duplicated in connection with the building of the Big Bend Dam.

I have been assured by the Bureau of Indian Affairs and the Corps of Engineers that they are anxious to initiate the necessary activities and programs to ensure that the members of the Lower Brule and Crow Creek Tribes are justly compensated and properly relocated prior to the closure of the Big Bend Dam. These two agencies are currently formulating plans for this relocation, but before they can take any material action in this direction Congress must adopt general legislation, authorizing the Corps and the Bureau to proceed with the required projects and programs. Because I feel that action is demanded in the early future if the United States is to remain faithful to its obligations to these tribes, I am today introducing these legislative measures authorizing the Corps of Engineers and the Bureau of Indian Affairs to undertake their respective responsibilities for the relocation and rehabilitation of these Indian families, who will soon be dispossessed by the Big Bend Dam construction. I earnestly hope that Congress also will recognize its considerable obligations in this matter and that hearings can be scheduled on these two bills in the very near future.

The PRESIDENT pro tempore. The bills will be received and appropriately referred.

The bills, introduced by Mr. MUNDT, were received, read twice by their titles, and referred to the Committee on Interior and Insular Affairs, as follows:

S. 3208. A bill to provide for the payment for individual Indian and tribal lands of the Lower Brule Sioux Reservation in South Dakota, required by the United States for the Big Bend Dam and Reservoir project on the Missouri River, and for the rehabilitation, social and economic development of the members of the Lower Brule Sioux Tribe, and for other purposes; and

S. 3209. A bill to provide for the payment for individual Indian and tribal lands of the Crow Creek Sioux Reservation in South Dakota, required by the United States for the Big Bend Dam and Reservoir project on the Missouri River, and for the rehabilitation, social and economic development of the members of the Crow Creek Sioux Tribe, and for other purposes.

EXTENSION OF SUGAR ACT

Mr. BENNETT. Mr. President, I rise today to introduce the administration bill to extend the Sugar Act for a period of 4 years, and I ask unanimous consent that I may proceed for 8 minutes, in order that this entire statement may appear in full in the body of the RECORD.

The PRESIDING OFFICER (Mr. BIBLE in the chair). Is there objection?

The Chair hears none, and the Senator may proceed.

Mr. BENNETT. I am today introducing the administration bill to extend the Sugar Act for a period of 4 years, to December 31, 1964, and ask that it be referred to the appropriate committee.

The PRESIDING OFFICER. The bill will be received and appropriately referred.

The bill (S. 3210) to amend and extend the provisions of the Sugar Act of 1948, as amended, introduced by Mr. BENNETT was received, read twice by its title, and referred to the Committee on Finance.

Mr. BENNETT. Mr. President, few developments in international affairs in recent years have attracted so much attention as the revolution in Cuba of a little over a year ago, and the resultant events in that country. Naturally, much of the discussion of our relations with Cuba has centered around the Sugar Act, which in the past has helped to establish strong economic relations between the United States and Cuba.

The intemperate remarks of Fidel Castro and other Cuban officials have aroused many extremists in this country to demand an immediate discontinuance of the Cuba quota under the Sugar Act as a means of reprisal against the Castro regime. However, if the Cuban quota is completely cut off, it may be impossible to get it restored if and when conditions change. Even more important is the question of the serious damage this would inflict upon the Cuban people, who have traditionally been our friends. There is also the question of the effect this will have on our relations with other Latin American countries, and finally, there is the question of touching off serious economic reprisals by the Castro regime against American companies doing business in Cuba.

On the other hand, there are those who believe the act should be extended in its present form with no cognizance of the fact that conditions in Cuba—or any other country receiving a quota—might be changed. This in effect would be rewarding Castro for bad behavior. It would give the administration no discretionary powers whatsoever and would permit no flexibility in our dealings with Cuba.

The bill I am introducing today is a moderate approach embracing neither of these concepts, but gives the President the authority to adjust quotas as he deems advisable. It has the support of the President and represents the culmination of months of work by the Department of Agriculture and the Department of State, who have worked closely with representatives of the sugar industry. I sincerely hope that Congress will adopt this wise and moderate approach.

The bill would accomplish the following objectives:

First. It would extend the act for a period of 4 years; that is, from December 31, 1960, to December 31, 1964. A 4-year extension would follow precedent and give farmers, the industry, and sugar consumers a reasonable period for forward planning—section 4.

Second. Marketing quotas would be increased by 50,000 tons for the mainland

sugarcane area and 150,000 tons for the beet area.

This would be in compensation for domestic areas giving up their rights to Puerto Rican deficits.

During the past 3 years the mainland cane quota has on the average received 40,000 tons and the beet quota 130,000 tons through reallocations from Puerto Rico. By giving the two mainland areas fixed increases in their quotas in lieu of claims on future Puerto Rican deficits, mainland producers will be able to market consistently throughout the year and the eastern refiners can depend upon their supplies of raw sugar—section 1.

Third. Section 2 of the proposed bill would amend the provisions for reallocating to other supplying areas the deficits resulting from failures of producing areas to fill their quotas.

(a) Deficits from Puerto Rico or the Virgin Islands would be prorated 96 percent to Cuba and 4 percent to the full-duty countries, to restore quotas to such countries on the same basis that they would lose quotas under section 1, paragraph 4.

(b) The deficit-area provisions—section 204 of the act—would be rewritten for the purpose of simplification and clarification and of providing a better balance of supplies. Deficits from Hawaii, which ships to the west coast and the gulf, would be prorated to the beet and mainland cane areas—paragraph 3; and deficits from the mainland cane area would be prorated to other domestic cane areas—paragraph 2.

(c) Section 204(c) of the act would be amended by providing that quotas for foreign countries other than the Republic of the Philippines would be reduced in accordance with determinations of deficit by the Secretary. At present the Secretary can determine deficits and make reallocations but he cannot cut quotas for the countries having deficits.

The proposed amendment would make the act safe to use when foreign countries develop shortages during our heavy consuming season. Without this amendment, a foreign country against whose quota a deficit has been declared might be able to dump surpluses on our markets late in the year when our import needs are light—section 2(b).

Fourth. Section 3 would authorize the President, in the national interest or to secure adequate supplies, to reduce the quota for a calendar year for any foreign country other than the Republic of the Philippines and authorize the Secretary of Agriculture to cause or permit the importation of a corresponding quantity of sugar.

This would give the President standby authority to deal with emergencies that might develop during the period for which the act will be extended. This section and section 2(b) would become effective upon enactment, whereas the provisions become effective January 1, 1961.

Mr. GRUENING. Mr. President, will the Senator yield?

Mr. BENNETT. I yield.

Mr. GRUENING. Are we to understand that Congress is to be asked to

give up to the Executive the power to regulate the sugar quotas?

Mr. BENNETT. The Senator should not so understand. Congress sets the quotas, and would continue to set them under the terms of the bill. However, the bill would give the President the power, for 1 year at a time only, to reduce the quota of any country when he deemed it to be in the national interest. It would not give him the power to transfer that quota to any other country. It would simply make it possible for the Government to make up the deficit in any market where it deemed such action advisable.

If Congress were in session, and the President decided, in his wisdom, that it was necessary to reduce the quota of any given country by 5 or 10 percent, Congress would have the power to step in and say, "No, that should not be done. We insist that the quota be maintained."

However, in a situation like that which we now face in respect to Cuba, it would be difficult, and would require many weeks and months of time for Congress to act on this problem when, under some foreign relations situations, it might be wise to act promptly.

We do not propose to transfer to the President the ultimate power to remake the quota system. We are simply proposing to give him the power, for 1 year at a time, to make certain adjustments.

Mr. GRUENING. But some powers Congress now has would be transferred to the President. In other words, the present power of the Congress would be diminished somewhat, would it not?

Mr. BENNETT. Yes; but we must remember that the President has the ultimate responsibility for conducting our foreign relations. Unfortunately, because of the actions of Castro, the Cuban sugar situation has become very much a part of our foreign relations.

The bill would be effective for 4 years. If the emergency in Cuba should pass, I am sure that the President would be very desirous of returning to Congress any temporary power which this bill would confer upon him, because I am sure the Executive is not seeking additional power.

The PRESIDING OFFICER. The time of the Senator from Utah has expired.

Mr. GRUENING. Mr. President, I ask unanimous consent that the Senator from Utah be granted 1 additional minute, in order that I may make a comment.

The PRESIDING OFFICER. Is there objection? The Chair hears none, and the Senator may proceed.

Mr. GRUENING. I think we all appreciate the very grave situation which has arisen in Cuba. Certainly it is something which requires attention, not merely of the executive, but also the legislative branch of the Government.

Nevertheless, I hope the Congress will consider very carefully any proposal for a further diminution of its powers and relinquishment of them to the Executive. I think we have traveled a long way in that direction, far too far, indeed, and I think we should scrutinize the bill very carefully from that standpoint.

Mr. BENNETT subsequently said: Mr. President, today I introduced the administration's sugar bill, S. 3210. I ask unanimous consent that the bill may lie on the desk until Monday, so that any Senators who may wish to join in its sponsorship may attach their names.

The PRESIDING OFFICER. Is there objection? The Chair hears none, and it is so ordered.

RICHARD L. NEUBERGER NATIONAL SEASHORE

Mr. MANSFIELD. Mr. President, I ask unanimous consent to proceed for as much time as may be necessary beyond the normal 3 minutes.

The PRESIDING OFFICER. Is there objection? The Chair hears none, and the Senator may proceed.

Mr. MANSFIELD. Mr. President, on behalf of the senior Senator from California [Mr. KUCHEL] and myself, I introduce, for appropriate reference, a bill to create the Richard L. Neuberger National Seashore in Oregon in honor of our late colleague from Oregon. When I spoke in the Senate on March 9 in tribute to the late junior Senator from Oregon, Mr. Neuberger, I suggested that it would be a fitting tribute if a Federal wilderness area in the Pacific Northwest were named for him. Afterwards, upon reflection, and in discussion with some of my colleagues, I reached the conclusion that the most fitting tribute would be to create a memorial dear to the Senator and more symbolic of the contributions he made.

Last fall when Dick Neuberger should have been resting he crusaded throughout his State on behalf of the creation of a national park on the Oregon coast. He sought this park for posterity, and it was a project into which he threw all of his energies. I shall not detail the efforts he went to, but I call attention to some of the things he did to help create an Oregon Coast National Seashore Recreation Area. On March 25, 1959, he had introduced his own bill to create this park, S. 1526. On May 20, 1959, he introduced S. 2010 at the request of the Secretary of the Interior. This bill would have created three seacoast parks to be selected by the Secretary of the Interior. On October 26, 1959, he prepared a modified version of his own bill, which was circulated widely through the State. This was his effort to meet the criticisms voiced by Oregon's Governor, Mark Hatfield, to his first bill. On January 18, 1960, he received a substitute bill from the Governor of Oregon, which included not only the provisions of the October 26 version of his bill, but a number of additional drastic departures. Then on January 25, 1960, he introduced the bill which combined the Governor's thinking with his own and contained his views plus those of the Governor.

This was typical of Dick Neuberger, and he emphasized in his remarks first that he was not in complete agreement with the Governor, second, that the best way to obtain a park would be to reach all possible agreement with the Gover-

nor, and, third, that it was his firm intention to accept whatever changes the Governor had made which were likewise acceptable to the Secretary of the Interior. Senator Neuberger pointed out:

Many years from now the important and essential thing will be the existence of a great national park along America's most majestic shoreline. * * * My goal * * * is to bring Oregon its first new national park since Crater Lake was set aside in 1902.

Further, Senator Neuberger stated:

I am quite willing to abide by the judgment of those who possess this experience. I feel certain that Governor Hatfield will likewise trust the judgment of the Department of the Interior and the National Park Service.

This record of events demonstrates effectively the traits which were Dick Neuberger's hallmark and which were referred to so often by his colleagues. In introducing a new version of the Oregon dunes bill we have done two things: First, we have suggested that this park be named for the late Senator Richard L. Neuberger, and, second, we have sought the advice and counsel of the Department of the Interior in order to present to the Senate Committee on Interior and Insular Affairs a bill which we believe will obtain the official support of the Secretary of the Interior and the President.

I would say, however, in all fairness that one section dealing with payments in lieu of taxes has not been revised, and it is my understanding that as presently suggested by the Governor, this language would not be in accord with the views of the administration. The revised bill has changed the boundaries of the park, primarily as to the area surrounding Lake Tahkenitch. In lieu of acquiring the lands around Lake Tahkenitch immediately, the same provisions would apply as apply to the Sea Lion Caves. So long as the lands are used for their present non-commercial purposes, or for forest management, they will not become a part of the park, but should the present owners wish to change the use of the property, or to dispose of it to others who would change the use, the Federal Government will have the opportunity to purchase these lands. A few tracts on the south and east boundary near Siltcoos Lake have also been excluded. The other revisions in the language of the bill are designed to bring it into better harmony with the manner in which the great majority of our park areas are administered.

I have included this discussion of the bill so that those concerned will be well informed of the changes in the bill and the efforts which have been made to revise it in accordance with the standards set by the late Senator.

Mr. President, I believe that it is incumbent upon me to present the reasons which motivated me to suggest that this great scenic area on the Oregon coast be named in honor of the late junior Senator from Oregon.

The conservation experts of our Nation are in agreement that our ocean shoreline, one of our greatest recreational treasures, is rapidly vanishing

from public use. They are also in agreement that there are a limited number of outstanding scenic seashore areas, which are today in a relative undeveloped state. The Oregon dunes is one of these, so we have selected an area which meets the high criteria prescribed to make it qualify as a national seashore. It is entirely fitting and proper that we create this park, and it is equally fitting that it be named Richard L. Neuberger.

Before this man entered the U.S. Senate, his name was known around the world as one of America's leading conservationists. He understood the true meaning of the word "conservation." He knew the role that wise management of our renewable resources played in our economic, social, and spiritual well-being. He understood that it was necessary to utilize the forest, the range, and the water, to meet the needs of our people for the material requirements of life. He continuously urged that we treat our soil well and husband our resources so that their ability to be renewed would be in no way jeopardized or impaired. Even more, he understood the necessity that we preserve to nature's way of making changes certain areas so that future generations could view the work of nature alone. Thus, he had a keen appreciation of the role that was man's and the role that was nature's. He understood that we could not build a civilization on machines and factories or on material wealth alone, but rather that the spiritual strength which could be obtained only from nature was the solid base upon which a successful civilization must rest.

There is no more fitting spot in Oregon to name in honor of Dick Neuberger, than this scenic stretch of coastline. He had the vision and the foresight to see why it must be preserved. This area more nearly typifies his contribution to his fellowman than any other. All through his life he stood on the shores of civilization, looking beyond and thinking of the future. He did not stand on a mountain looking down, nor was he in a wilderness, his view obscured by trees and mountains. New ideas came to him as the wind and waves which swept in from the sea.

It is my hope that the Congress will proceed speedily to enact this bill. It is also my hope that all those who are interested will join to aid in this cause. I urge that those who may have views to express to do so with the same tolerance and thoughtfulness which characterized Dick Neuberger's approach to every problem.

Mr. President, I have but one further thought to offer, that in addition to naming the park for Richard L. Neuberger, that there be placed at an appropriate spot a modest plaque which will read: "To Richard Lewis Neuberger, humanitarian and conservationist. He loved his people and his land."

Mr. President, I ask unanimous consent to have printed in the RECORD two editorials from the March 10, 1960, issues of the New York Times and the Northern Virginia Sun.

There being no objection, the editorials were ordered to be printed in the RECORD, as follows:

[From the New York Times, Mar. 10, 1960]

RICHARD L. NEUBERGER

When the tall young man from Oregon took his seat for the first time in the U.S. Senate on January 3, 1955, he was far better known throughout the country as a writer and crusading conservationist than as a political personality. When untimely death took him yesterday at the age of 47 his extraordinary qualities of mind and heart and spirit had achieved for him in those 5 short years a secure eminence of stature as a Senator.

It is difficult to write of Richard L. Neuberger in the past tense. His enthusiasm and sincerity; his undeviating conscience, and his high sense of public service combined to make him not only one of the most respected Members of the Senate but also one of the most useful and most vital. His powerful pen and his persuasive voice gave life and point to many issues, notably improvement of the legislative process and preservation of this country's dwindling natural and scenic resources, that brought him into conflict with interests that a lesser politician would have been afraid to offend.

One of his current projects dearest to Senator Neuberger's heart was enactment of legislation to establish as a national seashore preserve a magnificent stretch of Pacific beachland in his native State, known as the Oregon Dunes. No more fitting tribute could be paid him by the Congress and the people of the United States than to adopt the Neuberger bill that would set aside forever this area in memory of a fine legislator and great outdoorsman who was determined that future generations should share in the great natural heritage of this country that he knew so well and loved.

A SYMBOL OF YOUNG COURAGE, INTELLECT— SENATOR RICHARD NEUBERGER

The sudden, tragic death of Oregon's young Senator, Richard Neuberger, will be mourned far beyond the borders of his native State. For the things that Dick Neuberger fought for hold a special value and a higher meaning for mankind everywhere: human rights and the betterment of the lot of his fellow men.

A successful writer, Democrat Neuberger was attracted to politics by his admiration for the late George W. Norris, Nebraska's Republican liberal Senator. Together with his wife, Maurine, he served in the Oregon Legislature as the lone Democrat in a Republican State senate. He was the first Oregon Democrat to be elected to the U.S. Senate since 1914. But Dick Neuberger was a Democrat in the broader sense and so well did he serve his State that he was facing no serious opposition in his forthcoming reelection.

It was only a few months ago that he was assured he had conquered the cancer for which he had been operated on in 1958. His personal struggle against this dread disease won him respect and admiration throughout the Nation and he used his own experience and his position as Senator to campaign successfully for vastly increased medical research.

Following his cancer operation, he wrote: "A brush with cancer tends to place many things in true perspective * * * old antagonisms fade away. I can no longer transform political disagreements into any feelings of personal malice. When one is grateful to be alive, it is difficult to dislike a fellow human being."

For many Americans, Senator Neuberger symbolized young courage and intellect and a dedication to his convictions that were in the highest traditions of political democracy. He was also a vigorous advocate for con-

serving the Nation's natural resources and Senator MIKE MANSFIELD's announcement of a bill to name the proposed Oregon Dunes National Park for Senator Neuberger would seem a fitting tribute to the memory of a courageous heart who, in the words of Mr. MANSFIELD, was "a star whose light remains."

Mr. MANSFIELD. Mr. President, I ask unanimous consent also to have printed in the RECORD a copy of the bill which is today being introduced by the distinguished minority whip, the Senator from California [Mr. KUCHEL] and myself.

The PRESIDING OFFICER. The bill will be received and appropriately referred; and, without objection, the bill will be printed in the RECORD.

The bill (S. 3211) to establish the Richard L. Neuberger National Seashore, and for other purposes, introduced by Mr. MANSFIELD (for himself and Mr. KUCHEL), was received, read twice by its title, referred to the Committee on Interior and Insular Affairs, and ordered to be printed in the RECORD, as follows:

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That in order to effect a coordinated method of conserving and developing for the benefit, inspiration, and use of the public certain ocean shoreline, sand dunes, forested areas, fresh-water lakes, and recreational facilities, the combination of which comprises a total recreation area of scenic, scientific, recreational, and historic significance, the Secretary of the Interior is authorized, as provided herein, to establish the Richard L. Neuberger National Seashore, hereinafter referred to as the Seashore, such area to be administered by the National Park Service as a unit of the National Park System.

SEC. 2. (a) The Seashore shall consist of that particular land, water, and submerged land area on the Oregon coast, the exterior boundary limit of which is specifically described as follows:

Township 18 south, range 12 west, beginning at the southeast corner of the southwest quarter of the southwest quarter of section 34;

Thence east to the southwest corner of the southeast quarter of the southeast quarter of the said section 34;

South to the southeast corner of the southwest quarter of the northeast quarter of section 10, township 19 south, range 12 west;

West to the southeast corner of the southeast quarter of the northwest quarter of the said section 10;

South to the northwest corner of the southwest quarter of the southeast quarter of section 15;

East to the point of intersection with the shoreline of Woahink Lake at elevation thirty-eight feet above sea level;

Following the said shoreline generally north and east to the intersection of the said shoreline with the quarter section line of section 11;

East to the northeast corner of the southeast quarter of the said section 11;

South to the southeast corner of the said section;

East to the northeast corner of section 13; South to the southeast corner of the said section 13;

East to the northeast corner of the northwest quarter of section 19, township 19 south, range 11 west;

South to the southeast corner of northwest quarter of the said section 19;

East to the northeast corner of the northwest quarter of the southeast quarter of the said section 19;

South to the southwest corner of the northwest quarter of the northeast quarter of section 31;

West to the northwest corner of the southwest quarter of the northeast quarter of the said section 31;

South to the southwest corner of the northeast quarter of section 7, township 20 south, range 12 west;

West to the southeast corner of the northwest quarter of section 12, township 20 north, range 12 west;

North to the northeast corner of the southeast quarter of the northwest quarter of section 12;

West to the west right-of-way of Southern Pacific Railway in section 11, township 20 south, range 12 west;

In a generally southerly and westerly direction along Southern Pacific Railway west right-of-way to the intersection with the line between section 11 and section 14;

West to the southeast corner of the southwest quarter of the southwest quarter of section 11;

North to the northeast corner of the northwest quarter of the southwest quarter of section 11;

West to the southeast corner of the northwest quarter of section 11;

North to the northeast corner of the southeast quarter of the northwest quarter of section 3;

West to the northwest corner of the southeast quarter of the northwest quarter of section 3;

North to the northeast corner of the northwest quarter of the northwest quarter of section 3;

West to the northwest corner of section 3; South to the northwest corner of the southwest quarter of section 3;

West to the northwest corner of the southeast quarter of section 4;

South to the southwest corner of the southeast quarter of section 4;

West to the southwest corner of the southeast quarter of the southwest quarter of section 4;

South to the northeast corner of the northwest quarter of the southwest quarter of section 9;

West to the northwest corner of southwest quarter of section 9;

South along section lines to the point of intersection on the north bank of the Umpqua River with the mean low tide line at a point on a line between section 16 and section 17, township 21 south, range 12 west;

Following the said mean low tide line in a generally southerly and westerly direction to the intersection with the Pacific Ocean, section 1, township 22 south, range 13 west;

Due west 1,320 feet;

In a generally northerly direction paralleling the mean low tide line on the shore to a point due west of the said mean low tide line on the south bank of the mouth of the Siuslaw River;

East to the said mean low tide line on the south bank of the mouth of the Siuslaw River, section 16, township 18 south, range 12 west;

Following the said mean low tide line in a generally southerly and easterly direction to its intersection with a line due north of the point of beginning;

Due south to the point of beginning.

Beginning at a point where the line between ranges 12 west and 13 west (Willamette Meridian), in township 22 south, intersects the mean low tide line on the south shore of Winchester Bay at the mouth of the Umpqua River;

Thence following the said mean low tide line easterly and southerly along the said south shore of Winchester Bay and the west bank of Winchester Creek to its intersection with the west right-of-way boundary of United States Highway Numbered 101, township 22 south, range 12 west;

Digest of CONGRESSIONAL PROCEEDINGS

OFFICE OF
BUDGET AND FINANCE

(For Department
Staff Only)

OF INTEREST TO THE DEPARTMENT OF AGRICULTURE

Issued March 31, 1960

For actions of March 30, 1960

86th-2d, No. 58

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HIGHLIGHTS: Sen. Church urged extension of the Sugar Act for four years. Sen. Hruska inserted Vice President Nixon's Nebraska speech including statements on farm policy.

SENATE

1. SUGAR. Sen. Church urged enactment of S. 3210, to extend the Sugar Act, and supported provisions of the bill to extend the Act for four years, to give U. S. producers of sugarbeets \$150,000 tons additional quota," and to give the President authority to adjust sugar quotas. He submitted an amendment which he intends to propose to the bill which "would reassign to our domestic producers the Cuban quota of the annual growth increment." Sen. Yarborough commended the proposed amendment as a "step in the right direction." pp. 6427-9
2. FARM PROGRAM. Sen. Hruska inserted excerpts from Vice President Nixon's Nebr. Founders' Day Program speech in which he stated there was unanimous agreement that "we cannot continue to tolerate programs under which the surpluses of basic farm commodities continue to pile up and the prices the farmer receives continue to go down," urged the "Democratic leadership of Congress" to act on farm legislation, and stated that "If this Congress fails to act, I believe it is the responsibility of the candidates of both parties to present to the voters for their decision, responsible new programs to deal with the farm problem. In this way the next President will have a clear mandate on the farm problem which he will need to assure action in the next Congress." pp. 6418-9

3. FRUITS. Sens. Magnuson and Holland expressed concern over the "latest move by Cuba ... to refuse to give licenses to exporters and importers in Cuba for the importation of fruit into Cuba," and urged "immediate negotiations between our State Department and the Cubans" on the matter. pp. 6438-9
4. UNEMPLOYMENT. Sen. McCarthy inserted the majority report, and Sen. Scott the minority report, of the special Committee on Unemployment Problems on its study of unemployment conditions in the U. S. Several Senators discussed the reports. pp. 6432-7, 6441-9
5. INTEREST RATES. Sen. Butler inserted a statement he had prepared urging enactment of legislation to remove the interest-rate ceiling on long-term Treasury bonds. pp. 6422-5
6. POSTAL RATES. Sen. Clark inserted a newspaper editorial opposing the administration proposal to increase postal rates. p. 6449

HOUSE

7. D. C. APPROPRIATIONS. Agreed to the conference report on H. R. 10233, the D. C. appropriation bill for 1961. pp. 6466-7
8. CONTRACTS. A subcommittee of the Judiciary Committee voted to report H. R. 2797, to amend the Walsh Healey Act to require the inclusion of certain labor standards requirements in Government contracts for services. p. D254

BILLS INTRODUCED

9. PERSONNEL. S. 3295, by Sen. Johnston, S. Car., to amend section 6 of the act of August 24, 1912, with respect to the recognition of organizations of employees in the Federal civil service; to Post Office and Civil Service Committee.
H. R. 11466, by Rep. Foley (by request), to modernize certain provisions of the Civil Service Retirement Act relating to immediate retirement; to Post Office and Civil Service Committee.
H. R. 11468, by Rep. Nix, to adjust the rates of basic compensation of certain officers and employees of the Federal Government; to Post Office and Civil Service Committee.
10. LANDS. S. 3300, by Sen. Holland, to require the Secretary of the Interior to issue new or supplemental patents in certain cases where lands have been classified as nonphosphate in character; to Interior and Insular Affairs Committee.
H. R. 11476, by Rep. Laird, to authorize Federal loans to assist the Menominee Indian Tribe of Wisconsin, or its successor entity, in the conduct of its affairs; to Interior and Insular Affairs. Remarks of author. p. 6486
11. COTTON QUOTAS. S. 3294, by Sen. Goldwater, to extend the minimum national marketing quota for Extra Long Staple cotton to the 1961 crop; to Agriculture and Forestry Committee.
12. RESEARCH. H. R. 11462, by Rep. Anfuso, to establish a program to foster and promote the conduct of basic and supporting scientific research through contracts entered into by the United States; to Science and Astronautics Committee.

a long time ago—that he is an able debater who gives no quarter.

The two Senators were well matched and they presented their arguments so forcefully that the 30-minute program seemed to pass all too quickly.

And while there was heat, there also was light. Both were well armed with facts and they showed no hesitancy in interrupting each other to clarify points they feared might be misinterpreted.

Senator TALMADGE pressed Senator KEATING pretty hard on the matter of sit-down demonstrations that have swept through the South in recent weeks. Senator KEATING kept saying that he approved of peaceful demonstrations so long as they violated no law. But the Georgia Senator insisted that was just the point—they constituted trespassing on private property and were therefore illegal.

The two were in agreement on one point: that they would both support legislation making it a crime to obstruct any court order by force and violence.

Senator TALMADGE makes a good impression in his defense of the South, and it is hoped that his message is getting through to the rest of the country. The response he received from a recent nationwide television appearance indicates that it is.

CIVIL RIGHTS AND THE DISTRICT OF COLUMBIA

Mr. RUSSELL. Mr. President, this morning there came to my attention the "Report From Washington" column, published in the Chicago Daily Tribune of March 30, written by Mr. Walter Trohan, chief of the Chicago Tribune's Washington bureau. His column deals with conditions here in the District of Columbia.

The first sentence of the article reads as follows:

There is more hypocrisy than honor among northern bleeding hearts on the question of integration in the South.

Mr. President, I ask unanimous consent that the entire article be printed at this point in the body of the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

[From the Chicago Daily Tribune, Mar. 30, 1960]

REPORT FROM WASHINGTON

(By Walter Trohan)

WASHINGTON, March 29.—There is more hypocrisy than honor among northern bleeding hearts on the question of integration in the South. Nowhere is this more vividly demonstrated than in the National Capital, which lies below the Mason-Dixon line but has long ago been captured by various shades of do-gooders from New Dealers to one worlders.

Nowhere has there been more verbal agony shed over Negroes and less practice of the preached word. Since the Supreme Court decisions on civil rights, there has been a tremendous exodus from the Capital into segregated Virginia and outlying Maryland by those who agitated for the rulings.

Since the High Court decisions Washington has become a Negro city. Fifty-five percent of the population of the Capital is Negro. Three out of four pupils in District public schools are Negro. In the first grade almost 85 percent of the students are Negro.

This means simply that the white people who have been agitating for integration in the South have been moving away from Negroes in the Capital to suburbs which are white. The percentage of white population

in the Capital is dropping while the percentage is rising rapidly in suburban areas.

WHITE STUDENTS ATTEND PRIVATE SCHOOLS

To too many bleeding hearts the Negro is good enough to fight for far away but not good enough to live with or go to school with in the North. Most northern cities are showing marked rises in suburban population, but nowhere so much as in the Capital, where integration was enforced.

Man has always found it easier to adopt a cause far from home, especially when he could escape from the consequences of his own crusading. In the days before the Civil War, abolitionists in New England found it easy to close their eyes to child labor in cotton factories, which was a more cruel and heartless form of slavery than they battled in the cotton fields of the South.

Most of the more prosperous white people with children of school age who continue to live in the Capital send their children to private schools. Some did before the integration decision, but more do now that 96 of the District of Columbia's 165 schools are 90 percent Negro or over. Twenty-one schools are 100 percent Negro in enrollment.

Supreme Court Justice William J. Brennan, Jr., the only jurist with schoolchildren at the time of the Court's decision in the school cases, sent his children to private schools. Some of these schools take Negroes but few Negro parents are able to meet costly tuition charges. In the case of at least one of these private institutions, one of the loudest voices for integration was privately plotting with his trustees on means of keeping Negro students out of his institution's classrooms.

VOTE AT HOME TO KEEP FEDERAL JOBS

More recently the do-gooders in the National Capital have revived another of their causes—home rule and the vote for the Capital. Most of the agitators vote in other States, where they maintain legal homes even though they spend considerable time here.

Many of the white people living in the Capital vote at home to keep their Federal jobs. If the District of Columbia should get home rule, the Negroes would have an even greater majority at the ballot box than the 55 percent of the population they have.

Undoubtedly Washington would elect a Negro mayor and other Negro officials in a matter of time. The majority at the ballot box was an actuality when the District did vote before the turn of the century and is the reason why the vote was taken from residents of the Capital. No doubt more bleeding hearts would move out if the District should win the right to vote. All this serves to indicate that if the bleeding hearts weep, they weep crocodile tears except when their own selfish interests are involved.

CIVIL RIGHTS ACT OF 1960

The Senate resumed the consideration of the bill (H.R. 8601) to enforce constitutional rights, and for other purposes.

The PRESIDING OFFICER. The question is on agreeing to the first committee amendment.

Mr. McCARTHY obtained the floor.

AMENDMENT OF THE SUGAR ACT

Mr. CHURCH. Mr. President, will the Senator from Minnesota yield to me?

Mr. McCARTHY. I yield.

Mr. CHURCH. Mr. President, heretofore I joined with other Senators in the sponsorship of S. 3210, a bill to amend and extend the Sugar Act of 1948, as amended. This is a revenue measure

in form, and in all probability it will be considered by the House of Representatives before it is taken up in the Senate.

Nevertheless, this is an extremely important legislative problem for consideration in this Congress, and the time is getting late. The Sugar Act expires at the end of this year; and unless an extension of some kind is agreed upon before Congress adjourns, there will be chaos in a vital segment of our economy, the sugar industry.

It is for this reason that I desire to explain my position as to the kind of sugar legislation we ought to have, and to submit an amendment I have prepared.

This Congress is apparently to be offered a choice between a simple extension for 1 year of the existing law, and S. 3210, which amends the Sugar Act in certain important particulars, and extends it for 4 more years.

I favor the latter course for a number of reasons. First, there is the time element itself. Sugar is not the kind of crop, and not the kind of industry, which can successfully operate on a year-to-year basis. The crop periods overlap in the different producing areas, processing and marketing plans have to be made more than 1 year in the future, and the threat or prospect of legislative "tinkering" on a year-to-year basis is not conducive to sound management. Unsound management means higher costs.

Second, I believe S. 3210 makes some desirable changes in the law. One of these, from the point of view of the sugar-beet States, gives to beetgrowers 150,000 tons additional quota, as a substitute for the variable prospects of sharing in the deficits which arise from time to time in Puerto Rico's quota.

Additionally, S. 3210 takes a realistic look at the situation in Cuba, and gives the President the right to cut Cuba's quota on a 1-year basis, when in his judgment such action should be taken. A 1-year extension of the present law, without changing it, would amount to a favor to the Cuban Premier which I do not think he deserves. I believe it better to empower the President to cut the Cuban quota, when he believes it to be warranted, rather than to countenance Castro's conduct by continuing the present law, which guarantees him a lucrative share of the U.S. market, regardless of his conduct, past, present, or future.

The Sugar Act is an immensely complex piece of legislation, but it has worked well. It has stabilized the sugar market, once subject to violent fluctuations; and the rise in the cost of sugar to American consumers is much less on a percentage basis since the Sugar Act was first passed than the rise in the cost of other commodities. By comparison, the average American worker works less than 3 minutes to earn enough to buy a pound of white granulated sugar, while in Russia a worker must work more than 2 hours to earn enough to buy the same amount of sugar.

An efficient domestic and mainland sugar industry must be maintained if a reasonable degree of national self-

sufficiency is to be provided. Our sugar program assures the American consumers an adequate supply of sugar at reasonable prices, maintains and protects the welfare of the domestic sugar industry, and promotes the export trade of the United States.

This program cannot be permitted to come to an end, and it must not be tampered with indiscriminately.

But, Mr. President, I believe that a principle long incorporated in the act could well be extended. This is the principle that new and small producers ought to receive special consideration.

After World War II, returning veterans and others who then established themselves on homesteads and other farms without beet acreage allotments, have sought to participate in this program. The act directs the Secretary of Agriculture to give a preference to this type of grower; but, as a practical matter, the amounts available have been too small to be useful.

Yet sugar is a most attractive cash crop, and without it the new farmers are at a great disadvantage in their communities.

Sugar beets return what they take from the soil. They promote soil equilibrium, when grown in rotation with hay, grains, and legumes. A ton per acre of their extensive root systems is left in the soil, to rebuild it.

The byproducts of beet sugar—tops, molasses, and pulp—provide a rich and necessary source of supplement feed for livestock. Proper feed of these byproducts will produce 300 pounds of meat for each acre of beets.

If the new farmers could be helped, without doing violence to the traditional beet planting patterns, it would be a good thing for Idaho and other beet areas.

I think this can be done. That is the purpose of an amendment which I intend to offer to S. 3210, and which I send to the desk, with the request that it be printed.

At the present time, there is consumed in the United States, each year, about 150,000 tons more sugarcane than that consumed in the preceding year. This growth, which results from the increase in our population, and also from a growth in the per capita rate of sugar consumption, is now allocated between our domestic producers, on the one hand, and Cuba and other foreign producers, on the other, in the ratio of 55 to 45. Cuba's share of this growth is about 30 percent of the total; and the other foreign countries, except the Philippines, have about 15 percent of the total. The Philippines have a fixed annual quota, and that country does not share in additional allocations arising from the growth in our market.

My amendment would reassign to our domestic producers the Cuban quota of the annual growth increment.

Under the Sugar Act, the domestic beet sugar areas are allocated about 40 percent of new domestic quotas. Forty percent of the amount reassigned from Cuba would furnish increased acreage in significant proportions. Under the second part of my amendment, the Secretary of Agriculture would be required to

give to new and small producers a preference as to any increased acreage resulting from this reassignment.

Thus, on a progressive basis, each year more acreage would be available to help these new and small growers. They have had a preference in the past; but, as I have pointed out, the added acreage has been too small to be of help to them.

I think it eminently fair that the part of the new acreage which, under my amendment, would be reassigned from Cuba, should be subject to this preference for new and small producers. This would take a sound and constructive step to meet the need of this particular group, without disturbing the balance of the Sugar Act's operation or violating its spirit.

I ask unanimous consent that my amendment, with the changes in the present law indicated be printed in the *RECORD* at this point in my remarks.

The PRESIDING OFFICER. The amendment will be received, appropriately referred, and printed; and, without objection, the amendment will be printed in the *RECORD*.

The amendment was referred to the Committee on Finance, as follows:

On page 1, after line 11, insert the following:

"SEC. 2. Section 202 of the Sugar Act of 1948, as amended, is amended by adding at the end thereof the following new subsection:

"(f) Notwithstanding the foregoing provisions of this section, effective with the calendar year 1961, no part of any increase in quotas arising from a determination made by the Secretary under section 201 in excess of 9,400,000 short tons, raw value, which would otherwise be prorated under the provisions of subsection (c) (2) (B) shall be apportioned to Cuba, and the percentage thereof which would otherwise be apportioned to Cuba shall be apportioned to domestic producers."

"SEC. 3. Section 302(b) of the Sugar Act of 1948, as amended, is amended to read as follows:

"(b) In determining the proportionate shares with respect to a farm, the Secretary may take into consideration the past production on the farm of sugar beets and sugarcane marketed (or processed) within the proportionate share for the extraction of sugar or liquid sugar and the ability to produce such sugar beets or sugarcane, and the Secretary shall, insofar as practicable, protect the interests of new producers and small producers and the interests of producers who are cash tenants, share tenants, adherent planters, or sharecroppers and of the producers in any local producing area whose past production has been adversely, seriously, and generally affected by drought, storm, flood, freeze, disease, insects, or other similar abnormal and uncontrollable conditions. To the extent that an increased acreage shall be allocated to beet sugar areas by reason of the enactment of the amendment adding section 202(f) such increased acreage shall be allocated by the Secretary, insofar as practicable, to protect the interests of new producers and small producers. For the purposes of establishing proportionate shares hereunder and in order to encourage wise use of land resources, foster greater diversification of agricultural production, and promote the conservation of soil and water resources in Puerto Rico, the Secretary, on application of any owner of a farm in Puerto Rico, is hereby authorized, whenever he determines it to be in the public interest and to facilitate the sale or rental of land for other productive purposes,

to transfer the sugarcane production record for any parcel or parcels of land in Puerto Rico owned by the applicant to any other parcel or parcels of land owned by such applicant in Puerto Rico."

On page 2, line 1, renumber "Sec. 2." to read "Sec. 4."

On page 6, line 15, renumber "Sec. 3." to read "Sec. 5."

On page 7, line 19, renumber "Sec. 4." to read "Sec. 6."

On page 7, line 22, renumber "Sec. 5." to read "Sec. 7."

On page 8, line 1, renumber "Sec. 6." to read "Sec. 8."

Mr. YARBOROUGH. Mr. President, will the Senator yield?

The PRESIDING OFFICER. The Senator from Minnesota [Mr. McCARTHY] has the floor.

Mr. YARBOROUGH. Mr. President, will the Senator from Idaho yield?

The PRESIDING OFFICER. Does the Senator from Minnesota yield for that purpose?

Mr. McCARTHY. Yes.

Mr. YARBOROUGH. I desire to ask the Senator from Idaho a question. Under this proposed amendment, what new acreage would be granted to American growers?

Mr. CHURCH. Under my proposed amendment, the Cuban share of the added increment in the total sugar quota that results from the annual growth of the American market, would be reserved to domestic producers.

Mr. YARBOROUGH. I desire to say to the distinguished Senator from Idaho that my State has a quota for sugar beet production of about 1,800 acres, a little less than 3 square miles. That is an area 1 mile wide and 3 miles long for the entire State of Texas. In the high plains area, sugar beets are the most valuable crop per acre that can be produced. The former quota of 2,200 acres has been cut to 1,800 acres. For 20 years the sugar beet producers in that high plains area of Texas have sought to get a reasonable sugar beet acreage quota, but they now have a quota of only 3 measly square miles for the whole State of Texas. I think the Sugar Act should be amended so that American producers who have the land and the labor available can grow more sugar beets, in view of the fact that domestic producers grow only about 27 percent of the sugar consumed in this country, and we import approximately 73 percent.

Is it not a fact that we import about 73 percent and produce only about 27 percent of our sugar needs?

Mr. CHURCH. It is true that the amount imported exceeds the amount that is domestically produced.

Mr. YARBOROUGH. That is undoubtedly the reason why the President of the United States recently recommended new sugar legislation. He recommended it partly on the ground of national security and defense. He did not state specific percentages, but he pointed out that we produce only a fraction of what we consume. Actually we produce 27 percent of the sugar consumed in this country. In view of the price that Americans pay for sugar and the widespread consumption of that commodity, it does not make sense to limit American farmers so that they are permitted to

produce only 27 percent of the sugar needed in this country, while we force off the farms those who are raising grain sorghums or wheat, for example, the further production of which is not needed. Sugar is needed.

The entire State of Texas, with an area of 267,000 square miles, is allowed to produce sugar beets only in a little strip of land 1 mile wide by 3 miles long, when it has been demonstrated for more than 20 years that sugar beets form a very valuable crop in the high plains area, where the production is worth from \$100 to \$150 an acre per year. This is the most valuable crop that can be grown in that area, where beets with a very high sugar content are grown, when compared with the sugar content of sugar beets grown elsewhere.

I ask the Senator from Idaho what acreage is provided for the State of Texas under the amendment he has submitted.

Mr. CHURCH. Under the amendment I have proposed, no specific acreage allocations are made. The pattern of the present Sugar Act is retained, but domestic producers are favored—and new and small domestic producers are given special preference—with respect to the Cuban share of the increased increment in the sugar quota that results from the growing population of this country, from year to year.

I think the effect of my amendment would be to give added acreage to domestic producers, wherever sugar is now being produced; and, in addition, the new and small producers would be given a special preference to which they are entitled.

It may be that the distinguished Senator from Texas would want to see the Sugar Act amended in other particulars, but I think the objective of better serving domestic producers is one advanced by this amendment, and, to this extent, I am sure the Senator from Texas would want to support it.

Mr. YARBOROUGH. I commend the distinguished Senator from Idaho for this step in the right direction. It is only a step, however. I point out that under 8 years of Bensonism, in one State acreage was increased by 30,000 acres, while in my State in that period acreage was reduced from 2,200 to 1,800 acres. I think we ought to look at the matter from the domestic as well as the standpoint of foreign production.

THE LATE PRINCE JONAH KUHIO KALANIANA'OLE

Mr. FONG. Mr. President, will the Senator yield?

The PRESIDING OFFICER. Does the Senator from Minnesota yield to the Senator from Hawaii?

Mr. McCARTHY. Yes.

Mr. FONG. Mr. President, last Saturday, in my State of Hawaii, a holiday marked the birthday anniversary of a great Hawaiian statesman and Republican—the late Prince Jonah Kuhio Kalaniana'ole. This Prince of Hawaiian royalty was the second Delegate to the Congress of the United States from the then new Territory of Hawaii. He served

his Hawaii and the United States in the House of Representatives from 1902 until his death in 1922.

On the occasion of the celebration of Prince Kuhio Day in Hawaii, Riley H. Allen, editor of the Honolulu Star-Bulletin, wrote an editorial in the March 26 issue of that newspaper. Mr. President, I ask unanimous consent that this testimonial to a great Hawaiian statesman be printed in the body of the RECORD following my remarks.

There being no objection, the editorial was ordered to be printed in the RECORD, as follows:

[From the Honolulu Star-Bulletin, Mar. 26, 1960]

A GREAT HAWAIIAN, A PATRIOTIC AMERICAN

On March 26, 1871, near Koloa on Kauai, a son was born to the High Chief David Kanaiepouli Piikoi and the Princess Klnoiki Kekaulike. He grew up to become Prince Jonah Kuhio Kalaniana'ole, one of the most illustrious figures in Hawaiian history during the transition from monarchy to republic and into the first two decades of territorial status.

He was brought up, with his brother David, in the court of Kalakaua. When Liliuokalani was overthrown, his understandable monarchist sentiments got him in trouble with the officials of the republic and he was sentenced to a year in prison in connection with the abortive revolt which sought to restore Liliuokalani to the throne.

For a time, the brothers Kuhio and David floundered in the political turmoil of their times. Finally, however, they realized that their royal training in service to their people could best be put to use in the new framework of the territorial government.

David became a Democrat, and Kuhio a Republican. David was not successful politically, and died in 1908. Kuhio, on the other hand, was a favorite with the electorate and after his first election as delegate to Congress in 1902, he was unfailingly reelected for 10 terms, still a record. He died on January 7, 1922, nearly 19 years after entering Congress.

The crowning act of his political career was the Hawaiian Homes program, to take his people out of the city slums and to give them land in perpetuity to insure perpetuation of the race. Gov. Wallace R. Farrington appointed him to the first Homes Commission and it was a source of gratification to Prince Kuhio to see the commission plunge rapidly and effectively into its work.

And it was Governor Farrington who paid one of the finest tributes to Kuhio:

"Prince Jonah Kuhio Kalaniana'ole was sincere, loyal, and courageous, and he possessed the peculiar kindness of heart distinctly Hawaiian that is identified, interpreted, and glorified in Hawaii's aloha. He made friends and his opponents were never enemies. Through his friendly personality he rallied national leaders to his support, not only through the justice of the cause he represented but also because 'we like the prince.'

"As a member of the royal family of Hawaii he maintained the dignity of his station and with refined freedom from ostentation. He understood the developing forces of the Pacific and was solicitous for the welfare and the highest type of progress for his people.

"Without sacrificing his pride of race or of nationality that had been merged in the great union of States, he was a whole-souled American."

Today Hawaii observes the 89th anniversary of Kuhio's birth. Though the number who knew him personally dwindles, his spirit lives on in his achievements and in the legacy he left his people. He was a son of whom all Hawaii is proud.

THE DILLON PLAN

Mr. JAVITS. Mr. President, will the Senator yield?

The PRESIDING OFFICER. Does the Senator from Minnesota [Mr. McCARTHY] yield to the Senator from New York?

Mr. McCARTHY. I yield.

Mr. JAVITS. Mr. President, U.S. free world leadership is facing difficult tasks in attempting to unite the economic potential of the Western industrial powers and bring this great potential to bear upon the epic economic challenge posed by the need of the less-developed areas of the world which must be helped to achieve economic progress in a framework of free institutions. The urgency of meeting these tests and of helping the emerging nations along the road of economic development is greatly intensified by the existence of Soviet power, offering assistance to the developing nations on terms which are vague but generally spell Communist domination.

The free world effort is being made within the framework of the Dillon plan, excellently set forth in an editorial of today's New York Times, which I ask unanimous consent to insert in the RECORD.

There being no objection, the editorial was ordered to be printed in the RECORD, as follows:

[From the New York Times, Mar. 30, 1960]

THE DILLON ERA

Two separate groups are now meeting in Europe to consider plans for replacing the Marshall era of American aid to Europe with the Dillon era of American-European partnership in trade. The term "Dillon era" was coined by President Hallstein of the Administrative Commission of the European Economic Community in honor of American Under Secretary of State Douglas Dillon. It is intended to denote the new phase of Western economic development symbolized by the American plan presented by Mr. Dillon at an economic meeting in Paris in January and approved by 20 nations. Under this plan the United States and Canada would join a dollar-strong Western Europe in a new trans-Atlantic organization for greater and economic cooperation and joint aid to underdeveloped countries.

A detailed blueprint for this new organization is now being worked out by a committee for presentation to a meeting of the 20 nations in Paris April 19. But these nations have found it advisable to meet in Paris at once in an effort to head off a threatened trade war between the European Economic Community of the "inner six," headed by France and Germany, and the European Free Trade Association of the "outer seven," headed by Britain. Such a clash would create a most unhappy initiation of the Dillon era.

This issue is also being considered by the European Parliamentary Assembly, the precursor of a parliament of a united Europe, now meeting in Strasbourg. It has before it a plan to speed up both the reduction of trade barriers between members of the Community and the formation of their customs union by an early start of their common tariff toward others on the basis of reduced rates. The United States has endorsed this plan for both its political significance and as a step toward trade liberalizations, even though it may initially discriminate against American trade. But the "outer seven," whose free trade association, of course, also discriminates against outsiders, including the United States, see in the Community's

move only discrimination against themselves and threaten reprisals. It must be hoped that the assurances given Prime Minister Macmillan by Secretary Herter and Mr. Dillon will help to prevent a development that could seriously impair Western solidarity.

PROPOSED CIVIL RIGHTS LEGISLATION

Mr. JAVITS. Mr. President, upon the pending civil rights bill, I wish to state I have heard this morning with the greatest of pleasure and gratification the compliments paid to my junior colleague from New York [Mr. KEATING] upon the fight which he made last night in the Committee on the Judiciary against the so-called Kefauver amendment.

Mr. President, these fine tributes are thoroughly well deserved. My colleague has rendered us all a service in being alert to the implications of the amendment. I am sure that his own dedicated opposition, together with the opposition of many of us who feel exactly as he does on this subject, will result in its excision from the bill.

Mr. KEATING. Mr. President, will the Senator from Minnesota yield to me for a slight comment?

Mr. McCARTHY. I yield to the Senator from New York.

Mr. KEATING. I thank my colleague from New York for his very kind comments. I appreciate them very much indeed. I know the senior Senator from New York stands with those of us who feel that this is a devastating amendment to the bill and that we must do everything in our power to have it eliminated.

Mr. JAVITS. I thank my colleague.

Mr. SCOTT. Mr. President, will the Senator from Minnesota permit me to address a question or a comment to the Senator from New York?

Mr. McCARTHY. Mr. President, I yield to the Senator from Pennsylvania.

Mr. SCOTT. I desire to underscore what has been said by both Senators from New York. The Kefauver amendment, which was adopted by a vote of only 7 to 6 in the committee, is an amendment which would do more to assure the intimidation of persons wishing to be recognized as seeking the right to register and to vote than any proposal I have heard of yet. This amendment could fill the room, where the application is being considered, with people hostile to the man or the woman who feels he or she has been deprived of the right to vote or who seeks in the first instance to attain that right.

There was nothing in the bill heretofore which pertained to hearings. The amendment refers to a hearing.

I hope the Senator will agree with me when I say that there ought not to be anything in the provision which would make more difficult the right to register through a voting referee than the ordinary right to register. If this procedure is to be in a hearing and in the presence of a room full of a great many people, most of whom would be hostile to the applicant, the effect of the amendment will be to create a climate of intimidation, and to prevent people from exercising their right to register and to vote.

Does the Senator from New York agree with me?

Mr. JAVITS. Of course the Senator agrees with his colleague from Pennsylvania and with his colleague from New York.

After all, the reason the voting has been frustrated in the South has been the climate of intimidation, implemented every once in a while by some act of violence, which shows they really mean it. The mere presence of the kind of attitude which has been shown on the part of white citizens—the White Citizens Councils, for example—would be enough to frustrate the very thing we are trying to accomplish.

This is a matter which should be left to each court, seeking in good faith to carry out what is intended; to wit, to put the Negro on terms of perfect equality with any white voter. The white voter does not have to have a hearing. He does not have to have evidence presented. He does not have to have a proceeding with a lot of witnesses and a lot of lawyers when he goes in to register to vote. Neither should a Negro have to do so. That is the essence of what we are talking about.

We are all gratified that our colleague [Mr. KEATING], who is an able lawyer, faced with this matter as a first impression, immediately perceived its implications and helped us all by interposing his objections to the amendment and by now ringing the alarm bell for all of us.

Mr. SCOTT. Mr. President, I should like very much to join in the praise for my colleague from New York for his alertness, for his courage and determination, and for being prepared at all times to detect these "gimmicks" in proposed legislation which are designed to defeat the purpose of the legislation itself.

I am very happy that every Republican Senator, every Senator on this side of the aisle, who is a member of the Committee on the Judiciary voted against the Kefauver amendment. This cannot be said with respect to the other side of the aisle, whether we are speaking in terms of one section of the country or another.

Mr. JAVITS. Mr. President, I did not want to intrude upon the time of my colleague for very long.

I take my text from what has occurred this morning with respect to making the civil rights bill the pending business. I say this: Mr. President, the illusion that we are going to have an agreed-upon civil rights bill in the Senate which could move over to the other body, which was an illusion which was prevalent for a very considerable time in the Senate, is gone.

Now we know we are going to have a bill which is going to be a Senate bill. I regret very much that we did not make it the Senate bill based upon the Dirksen substitute, the administration program. That is water over the dam, of course.

The point I want to make now is that we are face to face with every issue. The technique of making a motion to table an amendment has changed in implication. We are faced with the issues, and

we have to decide them substantively. Every Member of the Senate should know that he is now to vote for or against the issues. If any Senator votes against an issue by voting to table, that will be the end of it. We will not have another chance, as we had with respect to the Dirksen substitute, since there was a House bill.

Mr. HOLLAND. Mr. President, will the Senator yield?

Mr. JAVITS. Not yet.

That is point No. 1. The illusion of an agreed-upon bill is gone. We are going to have to fashion a Senate bill.

Point No. 2 is that every Member of the Senate who votes on any of these provisions, whether it be to table or to vote substantively, is now voting definitively.

Point No. 3, which is very important, Mr. President, is that I hope very much we will submit to the conscience of the Senate and to the vote of the Senate each one of the two propositions which are omitted from the bill; to wit, the proposition for technical aid to school desegregation, and the proposition for recognition of the government contracts employment committee. Mr. President, these are two essences of any intelligent and meaningful civil rights program. The Senate should pass upon them. Those provisions should not simply go down the drain at this last stage in these proceedings.

Mr. President, I bring those things to the attention of all of our colleagues, because we have to know that we are up against a substantive question now. Shall we have a civil rights bill which is adequate for the world in which we live? This is a world in which there are devastating, horrible and bloody riots in one part of the world—in South Africa—based upon this issue of race and color; a world in which we have serious questions raised with regard to law and order and the rights of peaceful assemblage in our own States. This should impress us all with the simmering caldron upon which we sit, and therefore of the necessity of not being overtaken by events but instead of being ahead of events, by the use of intelligent legislation in terms of the contribution of the Federal Congress.

Mr. HOLLAND. Mr. President, will the Senator yield?

The PRESIDING OFFICER (Mr. BYRD of West Virginia in the chair). Does the Senator from New York yield to the Senator from Florida?

Mr. JAVITS. I cannot. The Senator from Minnesota [Mr. McCARTHY] has the floor.

Mr. HOLLAND. Mr. President, will the Senator from Minnesota yield to me briefly so that I may reply to the Senator from New York?

Mr. McCARTHY. Mr. President, I should like very much to yield. I have made commitments to other Senators. I understand the proceedings of the Senate will be interrupted at 2:30 this afternoon.

Mr. President, I yield to the Senator from Florida.

Mr. HOLLAND. Mr. President, I appreciate that courtesy.

86TH CONGRESS
2D SESSION

S. 3210

IN THE SENATE OF THE UNITED STATES

MARCH 30, 1960

Referred to the Committee on Finance and ordered to be printed

AMENDMENTS

Intended to be proposed by Mr. CHURCH to the bill (S. 3210) to amend and extend the provisions of the Sugar Act of 1948, as amended, viz:

1 On page 1, after line 11, insert the following:

2 "SEC. 2. Section 202 of the Sugar Act of 1948, as
3 amended, is amended by adding at the end thereof the
4 following new subsection:

5 "(f) Notwithstanding the foregoing provisions of this
6 section, effective with the calendar year 1961, no part of any
7 increase in quotas arising from a determination made by the
8 Secretary under section 201 in excess of 9,400,000 short
9 tons, raw value, which would otherwise be prorated under
10 the provisions of subsection (c) (2) (B) shall be appor-

1 tioned to Cuba, and the percentage thereof which would
2 otherwise be apportioned to Cuba shall be apportioned to
3 domestic producers.'

4 "SEC. 3. Section 302 (b) of the Sugar Act of 1948, as
5 amended, is amended to read as follows:

6 "“(b) In determining the proportionate shares with
7 respect to a farm, the Secretary may take into consideration
8 the past production on the farm of sugar beets and sugar-
9 cane marketed (or processed) within the proportionate
10 share for the extraction of sugar or liquid sugar and the
11 ability to produce such sugar beets or sugarcane, and the
12 Secretary shall, insofar as practicable, protect the interests
13 of new producers and small producers and the interests of
14 producers who are cash tenants, share tenants, adherent
15 planters, or sharecroppers and of the producers in any
16 local producing area whose past production has been ad-
17 versely, seriously, and generally affected by drought, storm,
18 flood, freeze, disease, insects, or other similar abnormal and
19 uncontrollable conditions. To the extent that an increased
20 acreage shall be allocated to beet sugar areas by reason of
21 the enactment of the amendment adding section 202 (f)
22 such increased acreage shall be allocated by the Secretary,
23 insofar as practicable, to protect the interests of new pro-
24 ducers and small producers. For the purposes of establish-
25 ing proportionate shares hereunder and in order to

1 encourage wise use of land resources, foster greater diversifi-
2 cation of agricultural production, and promote the conserva-
3 tion of soil and water resources in Puerto Rico, the Secretary,
4 on application of any owner of a farm in Puerto Rico, is
5 hereby authorized, whenever he determines it to be in the
6 public interest and to facilitate the sale or rental of land for
7 other productive purposes, to transfer the sugarcane produc-
8 tion record for any parcel or parcels of land in Puerto Rico
9 owned by the applicant to any other parcel or parcels of
10 land owned by such applicant in Puerto Rico.' ”

11 On page 2, line 1, renumber “SEC. 2.” to read “SEC.
12 4.”.

13 On page 6, line 15, renumber “SEC. 3.” to read “SEC.
14 5.”.

15 On page 7, line 19, renumber “SEC. 4.” to read “SEC.
16 6.”.

17 On page 7, line 22, renumber “SEC. 5.” to read “SEC.
18 7.”.

19 On page 8, line 1, renumber “SEC. 6.” to read “SEC.
20 8.”.

AMENDMENTS

Intended to be proposed by Mr. CUNNING to the bill (S. 3210) to amend and extend the provisions of the Sugar Act of 1948, as amended.

MARCH 30, 1960

Referred to the Committee on Finance and ordered to be printed

86TH CONGRESS
2D SESSION

S. 3361

IN THE SENATE OF THE UNITED STATES

APRIL 14, 1960

Mr. ELLENDER (for himself, Mr. HOLLAND, Mr. LONG of Hawaii, Mr. CHURCH, Mr. YOUNG of North Dakota, Mr. DWORSHAK, Mr. McNAMARA, Mr. MOSS, Mr. ALLOTT, and Mr. McGEE) introduced the following bill; which was read twice and referred to the Committee on Finance

A BILL

To amend and extend the provisions of the Sugar Act of 1948, as amended.

1 *Be it enacted by the Senate and House of Representa-*
2 *tives of the United States of America in Congress assembled,*
3 That section 202 (a) (1) of the Sugar Act of 1948, as
4 amended, is amended by striking out in the table the figures
5 “1,800,000” and “500,000” and inserting in lieu thereof
6 “1,950,000” and “550,000”, respectively. Section 202
7 (a) (1), section 202 (a) (2), and section 202 (c) (2) of such
8 Act are amended by striking out the phrase “four million
9 four hundred and forty-four thousand” in each place it ap-

1 pears therein and inserting in lieu thereof "four million six
2 hundred and forty-four thousand".

3 SEC. 2. (a) Section 204 (a) of such Act is amended to
4 read as follows:

5 “(a) The Secretary shall from time to time determine
6 whether, in view of the current inventories of sugar, the
7 estimated production from the acreage of sugarcane or sugar
8 beets planted, the normal marketings within a calendar year
9 of new-crop sugar, and other pertinent factors, any area or
10 country may be unable to market the quota or proration
11 thereof for such area or country. If the Secretary finds that
12 any area or country may be unable to market the quota or
13 proration thereof for such area or country, he shall prorate
14 an amount equal to the deficit so determined to other areas
15 and countries as provided in the following paragraphs (1)
16 through (9), and, except as provided in subsection (b) of
17 this section, he shall revise accordingly the quotas and pro-
18 rations of quotas affected by such proration of a deficit.

19 “(1) Any deficit in the quota for the domestic beet sugar
20 area shall be prorated to the other domestic areas on the
21 basis of the quotas then in effect: *Provided*, That if any such
22 area is unable to fill its proration the unfilled balance of such
23 proration shall be added to the deficit prorated to the other
24 such areas.

25 “(2) Any deficit in the quota for the mainland cane

1 sugar area shall be prorated to Hawaii, Puerto Rico, and the
2 Virgin Islands on the basis of the quotas then in effect: *Pro-*
3 *vided*, That if any such area is unable to fill its proration the
4 unfilled balance of such proration shall be added to the deficit
5 prorated to the other such areas.

6 “(3) Any deficit in the quota for Hawaii shall be pro-
7 rated to the domestic beet sugar area and the mainland cane
8 sugar area on the basis of the quotas then in effect: *Provided*,
9 That if one such area is unable to fill its proration, the un-
10 filled balance of such proration shall first be added to the
11 deficit prorated to the other such area: *And provided further*,
12 That if both such domestic areas are unable to fill such deficit
13 then the unfilled balance thereof shall be prorated to Puerto
14 Rico and the Virgin Islands on the basis of the quotas then in
15 effect.

16 “(4) Any deficit in the quota for Puerto Rico or the
17 Virgin Islands shall be prorated 96 per centum to Cuba and
18 4 per centum to other foreign countries for which quotas or
19 prorations thereof of more than one thousand short tons, raw
20 value, have been established under subsection 202 (c) : *Pro-*
21 *vided*, That if either Cuba or such other foreign countries as
22 a group is unable to fill its proration of deficit the unfilled
23 balance of such proration shall be added to the deficit pro-
24 rated to the other: *And provided further*, That the proration
25 of deficit to such other foreign countries shall be prorated

1 among such countries to the extent that they may be able
2 to fill such deficit on the basis of the quota prorations then
3 in effect for such countries.

4 “(5) Whenever the Secretary finds that the applica-
5 tion of the provisions of paragraphs (1) through (4) of
6 this subsection may result in an unfilled proration of a
7 deficit in the quota for any domestic area, he shall add such
8 unfilled balance of such deficit to the quota for Cuba to the
9 extent that Cuba may be able to fill such unfilled balance.

10 “(6) Any deficit in the quota for Cuba shall be pro-
11 rated to the domestic areas on the basis of the quotas estab-
12 lished pursuant to section 202: *Provided*, That if any such
13 area is unable to fill its proration of deficit the unfilled
14 balance of such proration shall be prorated to other foreign
15 countries for which prorations of quota of more than one
16 thousand short tons, raw value, have been established under
17 section 202 (c) to the extent that they may be able to fill
18 such deficit on the basis of the quota prorations then in
19 effect for such countries.

20 “(7) Any deficit in the quota for the Republic of the
21 Philippines shall be prorated 96 per centum to Cuba and
22 4 per centum to other foreign countries for which quotas
23 or prorations thereof of more than one thousand short tons,
24 raw value, have been established under subsection 202 (c),
25 such 4 per centum to be prorated among such foreign

1 countries, to the extent that they may be able to fill such
2 deficit, on the basis of the quota prorations then in effect
3 for such countries.

4 “(8) Any deficit in any proration of a quota to a
5 foreign country other than Cuba and the Republic of the
6 Philippines shall be prorated among the other such foreign
7 countries for which prorations of a quota of more than one
8 thousand short tons, raw value, have been established under
9 subsection 202 (c), on the basis of the quota prorations to
10 such countries then in effect: *Provided*, That the unfilled
11 balance of any deficit prorated to any such country shall
12 first be prorated to the other such countries having prora-
13 tions of more than one thousand short tons, raw value, under
14 subsection 202 (c) to the extent that they may be able to
15 fill such deficit, and any remaining deficit in the total pro-
16 rations of quota to foreign countries other than Cuba es-
17 tablished under subsection 202 (c) shall be added to the
18 quota for Cuba.

19 “(9) Whenever the Secretary finds that the application
20 of the provisions of paragraphs (1) through (8) of this
21 subsection may result in an unfilled portion of a deficit in
22 the quota for any area or in the proration of a quota for any
23 foreign country, he may apportion such unfilled portion of
24 a deficit on such basis and to such areas or countries (whether

1 or not such areas or countries have been assigned quotas
2 under section 202) as he determines is necessary to fill such
3 deficit.”

4 (b) Subsection (b) of section 204 of such Act is re-
5 designated as subsection “(c)” of section 204 and such sub-
6 section is deleted effective as of January 1, 1961; subsection
7 (c) of section 204 of such Act is redesignated subsection
8 “(b)” and is amended to read as follows:

9 “(b) The quotas for any domestic area or the Republic
10 of the Philippines as established under the provisions of
11 section 202 shall not be reduced by reason of any determina-
12 tion of a deficit existing in any calendar year under the pro-
13 visions of this section.”

14 SEC. 3. Section 408 of said Act is amended to designate
15 such section as subsection “(a)” and to add a new sub-
16 section “(b)” as follows:

17 “(b) Notwithstanding the provisions of title II of this
18 Act, (1) upon a finding by the President that it is necessary,
19 in the national interest, or to insure adequate supplies of
20 sugar, that the quota for any calendar year, for any foreign
21 country (other than the Republic of the Philippines) should
22 be reduced, the President—

23 “(i) if the Congress has not adjourned sine die,
24 shall immediately notify the Congress of such findings
25 (setting forth his reasons therefor), submit recommenda-

tions for implementing such findings, and request appropriate congressional action thereon, or;

“(ii) if the Congress has adjourned sine die, may decrease, upon such finding, any such quota in such amount as he shall determine to be necessary. Such reduction shall become effective immediately upon the publication in the Federal Register of the President’s proclamation thereof;

“(2) For the purposes of meeting the requirements of consumers in the United States, the Secretary is authorized to cause or permit to be imported into the United States, in such manner, from such sources and subject to such terms and conditions as he deems appropriate under the prevailing circumstances, a quantity of raw sugar, not in excess of the sum of any reductions in quotas made pursuant to this subsection; (3) where the Secretary determines it appropriate to the manner in which he exercises such authority, he shall take into consideration acquiring such quantity of sugar from the other countries for which quotas or prorations thereof are provided for in section 202 (c) on the basis of the quotas or prorations thereof for such countries then in effect, to the extent such countries may be able to supply such quantity; and (4) if the Secretary finds that raw sugar is not reasonably available, he may, as provided in (2) above, cause or permit to be imported such quantity

1 of sugar in the form of direct-consumption sugar as may
2 be required.”

3 SEC. 4. Section 412 of said Act is amended by striking
4 out “1960” in each place it appears therein and inserting
5 in lieu thereof “1964”.

6 SEC. 5. Sections 4501 (c) and 6412 (d) of the Internal
7 Revenue Code of 1954 are amended by striking out “1961”
8 in each place it appears therein and inserting in lieu thereof
9 “1965”.

10 SEC. 6. The amendments made hereby to the Sugar
11 Act of 1948 and to the Internal Revenue Code of 1954
12 shall become effective as of January 1, 1961, except that sub-
13 section 2 (b) and section 3 hereof shall become effective upon
14 the date of the enactment of this Act.



A BILL

To amend and extend the provisions of the
Sugar Act of 1948, as amended.

By Mr. ELLENDER, Mr. HOLLAND, Mr. LONG of
Hawaii, Mr. CHURCH, Mr. YOUNG of North
Dakota, Mr. DWORSHAK, Mr. McNAMARA,
Mr. Moss, Mr. ALLOTY, and Mr. McGEE

APRIL 14, 1960

Read twice and referred to the Committee on Finance

86TH CONGRESS
2D SESSION

S. 3361

IN THE SENATE OF THE UNITED STATES

APRIL 25, 1960

Referred to the Committee on Finance and ordered to be printed

AMENDMENTS

Intended to be proposed by Mr. CHURCH to the bill (S. 3361)
to amend and extend the provisions of the Sugar Act of
1948, as amended, viz:

1 On page 2, after line 2, insert the following:

2 “SEC. 2. Section 202 of the Sugar Act of 1948, as
3 amended, is amended by adding at the end thereof the
4 following new subsection:

5 “(f) Notwithstanding the foregoing provisions of this
6 section, effective with the calendar year 1961, no part of any
7 increase in quotas arising from a determination made by the
8 Secretary under section 201 in excess of 9,400,000 short
9 tons, raw value, which would otherwise be prorated under
10 the provisions of subsection (c) (2) (B) shall be appor-

1 tioned to Cuba, and the percentage thereof which would
2 otherwise be apportioned to Cuba shall be apportioned to
3 domestic producers.'

4 "SEC. 3. Section 302 (b) of the Sugar Act of 1948, as
5 amended, is amended to read as follows:

6 " '(b) In determining the proportionate shares with
7 respect to a farm, the Secretary may take into consideration
8 the past production on the farm of sugar beets and sugar-
9 cane marketed (or processed) within the proportionate
10 share for the extraction of sugar or liquid sugar and the
11 ability to produce such sugar beets or sugarcane, and the
12 Secretary shall, insofar as practicable, protect the interests
13 of new producers and small producers and the interests of
14 producers who are cash tenants, share tenants, adherent
15 planters, or sharecroppers and of the producers in any
16 local producing area whose past production has been ad-
17 versely, seriously, and generally affected by drought, storm,
18 flood, freeze, disease, insects, or other similar abnormal and
19 uncontrollable conditions. To the extent that an increased
20 acreage shall be allocated to beet sugar areas by reason of
21 the enactment of the amendment adding section 202 (f)
22 such increased acreage shall be allocated by the Secretary,
23 insofar as practicable, to protect the interests of new pro-
24 ducers and small producers. For the purposes of establish-
25 ing proportionate shares hereunder and in order to

1 encourage wise use of land resources, foster greater diversifi-
2 cation of agricultural production, and promote the conserva-
3 tion of soil and water resources in Puerto Rico, the Secre-
4 tary, on application of any owner of a farm in Puerto Rico, is
5 hereby authorized, whenever he determines it to be in the
6 public interest and to facilitate the sale or rental of land for
7 other productive purposes, to transfer the sugarcane produc-
8 tion record for any parcel or parcels of land in Puerto Rico
9 owned by the applicant to any other parcel or parcels of
10 land owned by such applicant in Puerto Rico.' ”

11 On page 2, line 3, renumber “SEC. 2.” to read “SEC.
12 4.”.

13 On page 6, line 14, renumber “SEC. 3.” to read “SEC.
14 5.”.

15 On page 8, line 3, renumber “SEC. 4.” to read “SEC.
16 6.”.

17 On page 8, line 6, renumber “SEC. 5.” to read “SEC.
18 7.”.

19 On page 8, line 10, renumber “SEC. 6.” to read “SEC.
20 8.”.

AMENDMENTS

Intended to be proposed by Mr. CHURCH to the bill (S. 3361) to amend and extend the provisions of the Sugar Act of 1948, as amended.

APRIL 25, 1960

Referred to the Committee on Finance and ordered to be printed

RECOGNITION OF JURISDICTION OF INTERNATIONAL COURT OF JUSTICE—LETTER

Mr. KEATING. Mr. President, I ask unanimous consent that a letter to me from Angelo R. Cavaliere, secretary, Holy Name Society, Our Lady of Peace Church, Brooklyn, N.Y., in opposition to repeal of the Connally amendment, be printed at this point in the RECORD and appropriately referred.

There being no objection, the letter was referred to the Committee on Foreign Relations, and ordered to be printed in the RECORD, as follows:

HOLY NAME SOCIETY,
OUR LADY OF PEACE CHURCH,
Brooklyn, N.Y., March 28, 1960.

Senator KENNETH B. KEATING,
Senate Office Building,
Washington, D.C.

Hon. SENATOR KEATING: Whereas un-Christian and un-American ideology now infects our national bloodstream, and whereas domestic Communists, fellow travelers, pseudoliberals, opportunists and dupes (some knowingly, some otherwise) have taken our Nation far down the road to Communist enslavement, and whereas aforementioned persons have sought unceasingly to stampede the United States of America into the Communist version of world government, and whereas they have succeeded in engineering throwaway after throwaway of our national sovereignty, and whereas to permit any world court, on which (among others) avowed enemies of our country would sit, to decide which issues involving the United States of America would come under its jurisdiction, is the ultimate folly, and would in all likelihood result in national suicide, I am most strongly opposed to repeal of the Connally amendment, and request my protest be read into the CONGRESSIONAL RECORD.

Thank you,

ANGELO R. CAVALIERE,
Secretary.

RESOLUTION OF NIAGARA FALLS BRANCH OF NATIONAL ASSOCIATION FOR THE ADVANCEMENT OF COLORED PEOPLE

Mr. KEATING. Mr. President, I ask unanimous consent that a resolution adopted by the Niagara Falls Branch of the National Association for the Advancement of Colored People, relating to the lunch-counter incidents in the South, be printed at this point in the RECORD and appropriately referred.

There being no objection, the resolution was referred to the Committee on the Judiciary, and ordered to be printed in the RECORD, as follows:

RESOLUTION

Whereas the United States of America is the leading country in the struggle for democracy against totalitarianism in a world of social unrest; and

Whereas acts of bigotry, disunity, and flagrant injustice within its territory are amplified and exhibited as proof positive of decadence and unworkability of a democratic form of government in contributing to the edification of the dignity of man; and

Whereas the lunch-counter incidents as occurring in the southern area of the United States of America are unquestionably acts which clearly demonstrate man's inhumanity to man, intolerance, and a denial, to some, of the rights and privileges guaranteed to all under the Constitution of the United States: Now, therefore, be it

Resolved, That persons and organizations who engage or participate in denying service to a segment of the population solely on the premise of race, creed, or national origin are guilty of grave disservice to the cause of American leadership and world democracy; and be it further

Resolved, That any law or ordinance which permits or ordains such denials are in direct opposition to the spirit and principles of the Constitution of the United States of America and should and ought to be declared herewith and henceforth illegal; and it be it further

Resolved, That copies of this resolution be sent to the President of the United States; the two New York State Senators; the 42d District Representative in Congress; the Governor of the State of New York; the national office of the National Association for the Advancement of Colored People and to the Speaker of the House of the U.S. Congress, and the majority leader of the U.S. Senate.

REPORTS OF COMMITTEES

The following reports of committees were submitted:

By Mr. BENNETT, from the Committee on Finance, without amendment:

H.R. 9861. An act to continue for a temporary period the existing suspension of duty on certain istle or Tampico fiber (Rept. No. 1269):

By Mr. BENNETT, from the Committee on Finance, with amendments:

H.R. 9862. An act to continue for 2 years the existing suspension of duties on certain lathes used for shoe last roughing or for shoe last finishing (Rept. No. 1270);

By Mr. BARTLETT, from the Committee on Interstate and Foreign Commerce, with amendments:

S. 2452. A bill to establish a joint board and to permit the filing of through routes and joint rates for carriers serving Alaska, Hawaii, and the other States (Rept. No. 1271).

REPORT ENTITLED "IMMIGRATION AND NATURALIZATION"—SUPPLEMENTAL VIEWS (S. REPT. NO. 1272)

Mr. JOHNSTON of South Carolina. Mr. President, on behalf of the Senator from Mississippi [Mr. EASTLAND], from the Committee on the Judiciary, pursuant to Senate Resolution 55, as amended and extended, I submit a report entitled "Immigration and Naturalization," and I ask that the report, together with the supplemental views of the Senator from New York [Mr. KEATING], may be printed.

The PRESIDING OFFICER (Mr. CARLSON in the chair). The report will be received and printed, as requested by the Senator from South Carolina.

REPORT ENTITLED "STUDY OF THE FEDERAL JUDICIAL SYSTEM"—SUPPLEMENTAL VIEWS (S. REPT. NO. 1273)

Mr. JOHNSTON of South Carolina. Mr. President, pursuant to Senate Resolution 91, 86th Congress, 1st session, as extended, from the Committee on the Judiciary, I submit a report entitled "Study of the Federal Judicial System." I ask that the report, together with the supplemental views of the Senator from New York [Mr. KEATING], be printed.

The PRESIDING OFFICER. The report will be received and printed, as requested by the Senator from South Carolina.

STUDY OF USES OF GOVERNMENT LICENSED MEDIA FOR DISSEMINATION OF POLITICAL OPINIONS, ETC.

Mr. YARBOROUGH, from the Committee on Interstate and Foreign Commerce, reported an original resolution (S. Res. 305) providing for a study of the uses of Government licensed media for the dissemination of political opinions, news, and so forth, which was referred to the Committee on Rules and Administration, as follows:

Whereas freedom of communication is essential to the maintenance of a democracy; and

Whereas Congress has established a national policy of fairness and impartiality in the use by political candidates of communications media operating under Government license; and

Whereas Congress by the passage of Public Law 274 of the 86th Congress modified the "equal time" requirement in the use of broadcast facilities by legally qualified candidates on newscast and similar type programs; and

Whereas Public Law 274 states the intent of Congress that oversight will be exercised over the Federal Communications Commission in its determination of questions arising under the amendment in order to assure fulfillment of the national policy of fairness and impartiality: Now, therefore, be it

Resolved, That the Committee on Interstate and Foreign Commerce, or any duly authorized subcommittee thereof, is authorized under sections 134(a) and 136 of the Legislative Reorganization Act of 1946, as amended, and in accordance with its jurisdiction specified by rule XXV of the Standing Rules of the Senate, to examine, investigate, and make a complete study of any and all matters pertaining to—

(1) Federal policy on uses of Government-licensed media for the dissemination of political opinions, news, and advertising, and the presentation of political candidates; and

(2) a review and examination of information and complaints concerning the dissemination of news by such media.

SEC. 2. For the purposes of this resolution the committee, from February 1, 1960, to January 31, 1961, inclusive, is authorized (1) to make such expenditures as it deems advisable; (2) to employ, on a temporary basis, technical, clerical, and other assistants and consultants; *Provided*, That the minority is authorized to select one person for appointment, and the person so selected shall be appointed and his compensation shall be so fixed that his gross rate shall not be less by more than \$1,200 than the highest gross rate paid to any other employee; and (3) with the prior consent of the heads of the departments or agencies concerned, and the Committee on Rules and Administration, to utilize the reimbursable services, information, facilities, and personnel of any of the departments or agencies of the Government.

SEC. 3. The committee shall report its findings, together with its recommendations for legislation as it deems advisable, to the Senate at the earliest practicable date, but not later than January 31, 1961.

SEC. 4. Expenses of the committee, under this resolution, which shall not exceed \$45,000, shall be paid from the contingent fund of the Senate upon vouchers approved by the chairman of the committee.

BILLS AND JOINT RESOLUTIONS INTRODUCED

Bills and joint resolutions were introduced, read the first time, and, by unanimous consent, the second time, and referred as follows:

By Mr. ELLENDER (for himself, Mr. HOLLAND, Mr. LONG of Hawaii, Mr. CHURCH, and Mr. YOUNG of North Dakota):

S. 3361. A bill to amend and extend the provisions of the Sugar Act of 1948, as amended; to the Committee on Finance.

(See the remarks of Mr. ELLENDER when he introduced the above bill, which appear under a separate heading.)

By Mr. MANSFIELD:

S. 3362. A bill for the relief of Kurt E. Weber; to the Committee on the Judiciary.

By Mr. JOHNSTON of South Carolina:

S. 3363. A bill to validate certain overpayments inadvertently made by the United States to several of the States and to relieve certifying and disbursing officers from liability therefrom; to the Committee on the Judiciary.

(See the remarks of Mr. JOHNSTON of South Carolina when he introduced the above bill, which appear under a separate heading.)

By Mr. SCHOEPEL:

S. 3364. A bill for the relief of the Great American Life Insurance Co.; to the Committee on the Judiciary.

By Mr. CURTIS:

S. 3365. A bill to provide further for permissible writing and printing on third- and fourth-class mail matter, and for other purposes; to the Committee on Post Office and Civil Service.

By Mr. DIRKSEN:

S. 3366. A bill to amend title 18, United States Code, sections 871 and 3056, to provide penalties for threats against the successors to the Presidency and to authorize their protection by the Secret Service; to the Committee on the Judiciary.

By Mr. LONG of Hawaii:

S. 3367. A bill for the relief of Dr. Herman Piet Kramer and Marie Kramer; to the Committee on the Judiciary.

(See the remarks of Mr. LONG of Hawaii when he introduced the above bill, which appear under a separate heading.)

By Mr. BENNETT:

S. 3368. A bill to permit a civil action to be brought against an officer of the United States in his official capacity, a person acting under him, or an agency of the United States, in any judicial district of the United States where a plaintiff in the action resides; to the Committee on the Judiciary.

(See the remarks of Mr. BENNETT when he introduced the above bill, which appear under a separate heading.)

By Mr. CAPEHART (for himself and Mr. FREAR):

S. 3369. A bill to establish the procedure for the determination of the economic justification of certain inland waterway improvement projects, and for other purposes; to the Committee on Interstate and Foreign Commerce.

(See the remarks of Mr. CAPEHART when he introduced the above bill, which appear under a separate heading.)

By Mr. YARBOROUGH:

S. 3370. A bill to amend title II of the Social Security Act to increase the annual amount individuals are permitted to earn without suffering deductions from the insurance benefits payable to them under such title; and

S. 3371. A bill to amend title I of the Social Security Act to provide that the States disregard certain income in deter-

mining need for old-age assistance under the State programs established pursuant to such title; to the Committee on Finance.

(See the remarks of Mr. YARBOROUGH when he introduced the above bills, which appear under a separate heading.)

By Mr. BIBLE:

S. 3372. A bill for the relief of Amaran Bin Jamil; to the Committee on the Judiciary.

By Mr. HARTKE:

S. 3373. A bill for the relief of Marcelle Mallah and Louise Najib; to the Committee on the Judiciary.

By Mr. HARTKE (for Mr. McNAMARA):

S. 3374. A bill for the relief of Ivan Balog; and

S. 3375. A bill for the relief of Salim David Sesi; to the Committee on the Judiciary.

By Mr. ALLOTT (for himself and Mr. MURRAY):

S. 3376. A bill to amend the Helium Act of March 3, 1925, as amended, for the defense, security, and the general welfare of the United States; to the Committee on Interior and Insular Affairs.

(See the remarks of Mr. ALLOTT when he introduced the above bill, which appear under a separate heading.)

By Mr. COOPER:

S. 3377. A bill to amend the Internal Revenue Code of 1954 to extend the time within which a minister may elect coverage as a self-employed individual for social security purposes; to the Committee on Finance.

S. 3378. A bill to amend the act to promote the education of the blind, approved March 3, 1879, as amended, so as to authorize wider distribution of books and other special instruction materials for the blind, and to increase the appropriations authorized for this purpose, and to otherwise improve such act; to the Committee on Labor and Public Welfare.

By Mr. WILEY (for himself and Mr. RANDOLPH):

S.J. Res. 186. Joint resolution to provide for the designation of the first Tuesday after the first Monday in November of each year as "National Voters' Day"; to the Committee on the Judiciary.

(See the remarks of Mr. WILEY when he introduced the above joint resolution, which appear under a separate heading.)

By Mr. SALTONSTALL (for himself, Mr. KENNEDY, Mr. BRIDGES, and Mr. O'MAHONEY):

S.J. Res. 187. Joint resolution to provide for the designation of the month of September 1960, as "National Wool Month"; to the Committee on the Judiciary.

(See the remarks of Mr. SALTONSTALL when he introduced the above joint resolution, which appear under a separate heading.)

RESOLUTIONS

GREETINGS OF THE SENATE ON 70TH ANNIVERSARY OF FOUND- ING OF PAN AMERICAN UNION

Mr. DIRKSEN (for himself, Mr. JOHNSTON of Texas, Mr. MORSE, Mr. AIKEN, and Mr. MANSFIELD) submitted a resolution (S. Res. 304) extending greetings of the Senate to the other Republics of the Western Hemisphere on the 70th anniversary of the founding of the Pan American Union, which was considered and agreed to.

(See the above resolution printed in full when submitted by Mr. DIRKSEN, which appears under a separate heading.)

STUDY OF USES OF GOVERNMENT LICENSES MEDIA FOR DISSEMINA- TION OF POLITICAL OPINIONS, ETC.

Mr. YARBOROUGH, from the Committee on Interstate and Foreign Commerce, reported an original resolution (S. Res. 305) providing for a study of the uses of Government-licensed media for the dissemination of political opinions, news, etc., which was referred to the Committee on Rules and Administration.

(See the above resolution printed in full when reported by Mr. YARBOROUGH, which appears under the heading "Reports of Committees.")

ADDITIONAL COPIES OF HEARINGS ON ORGANIZING FOR NATIONAL SECURITY

Mr. JACKSON submitted the following resolution (S. Res. 306); which was referred to the Committee on Rules and Administration:

Resolved, That there be printed for the use of the Committee on Government Operations one thousand five hundred additional copies of the hearing entitled "Organizing for National Security," which was held by that Committee during the second session of the Eighty-sixth Congress.

AMENDMENT AND EXTENSION OF SUGAR ACT OF 1948

Mr. ELLENDER. Mr. President, I introduce, for appropriate reference, a bill to amend and extend the provisions of the Sugar Act of 1948, as amended, on behalf of myself, the senior Senator from Florida [Mr. HOLLAND], the junior Senator from Idaho [Mr. CHURCH], the junior Senator from Hawaii [Mr. LONG], and the senior Senator from North Dakota [Mr. YOUNG], and ask unanimous consent that the bill lie on the table through Wednesday, April 20, so that Senators who may desire to do so may join me in cosponsoring this proposed legislation.

Mr. President, the bill has five major features. First, it would extend the Sugar Act, which, as Senators know, is based upon a quota system, for a period of 4 years.

It would provide fixed increases of 50,000 tons in the quota for the mainland cane area, and 150,000 tons in the quota for the sugar-beet area, in exchange for domestic areas waiving all rights to receive any reallocation of deficits which may accrue from Puerto Rico.

It would rewrite the deficit area provisions of section 204(a) of the act to provide that future Puerto Rico deficits shall be reallocated to foreign countries. Further, it would accomplish minor adjustments in supplies such as the reallocation of deficits which may occur in the mainland cane area to other cane areas, and not to the beet area and, in addition, would simplify language and eliminate qualifications pertaining to situations which are no longer likely to exist.

As drafted, our bill would specify that the quota of any foreign country, other

than the Republic of the Philippines, can be reduced to the extent that the Secretary of Agriculture determines a deficit to exist. This, in effect, would accord to the Secretary authority to deal with any adverse situation which might result in the event any foreign country presently authorized a quota under the act should willfully fail to periodically meet its quota privileges.

Along these same lines, Mr. President, our bill would provide authority to cope with situations which might occur in the nature of threats or actual damages unduly imposed upon American interests by foreign countries presently accorded a quota under the Sugar Act.

As Senators will recall, the President originally requested that he be given power to adjust foreign sugar quotas. Our bill specifies that upon appropriate finding by the President, and should the Congress be in session, the President must recommend action involving adjustments in foreign quotas to the Congress. However, should the Congress not be in session, authority is given to the President to meet emergency situations by permitting him to adjust quotas upon the publication of such a determination in the Federal Register.

Authority to supply sugar to fill any unfilled portion of quotas which might be adjusted under this authority is accorded to the Secretary of Agriculture with the further provision that in so doing, he must give consideration to acquiring such sugar from foreign producers who now supply us in such a manner as to accord them equitable treatment.

Senators will look in vain in this bill for any language designed to penalize the people of Cuba. This is not punitive legislation. Authority is given, as I have indicated, initially to the Congress or, should the Congress not be in session, to the President, to deal with any arbitrary or high-handed actions on the part of foreign governments whose sugar producers are accorded a quota under the act.

I do not believe that I need to dwell any further on this particular point, except to say that the Sugar Act was not designed as, or must be permitted to become a punitive economic weapon, designed to wreak hardship upon peoples with whom we have enjoyed friendly relations in the past. By the same token, I do believe it is reasonable to include in any extension of the act realistic emergency power, designed to protect American interests and American citizens from the wanton ravages of foreign dictators.

In this connection, Mr. President, the Sugar Act, prior to 1952, contained similar emergency authority designed to deal with essentially the same kind of contingencies with which our measure is concerned. The amendments we propose today involve a refinement of this prior authority.

Mr. President, the Sugar Act, since its inception back in 1937, has worked well. It has provided ample supplies of sugar to consumers at reasonable prices. Domestic producers have been protected against wild fluctuations which, prior to

the enactment of the present sugar quota system, periodically brought ruin to the domestic beet and cane industries, as well as to foreign producers.

It is one of the few farm programs which has consistently shown a profit, in that benefit payments to producers have been less than the fund from which such payments are made, a fund derived principally from a modest tariff on sugar and a processing tax.

We suggest a 4-year extension of the act, since American sugar producers deserve, indeed they urgently need, relatively long-term assurance as to price and market, in order to sufficiently plan and conduct their operations.

A similar bill has been introduced in the House of Representatives. I express the hope that the House will soon take action on this important legislation.

I ask unanimous consent that the bill lie on the table through Monday, April 20, so that Senators who may desire to do so may join in cosponsoring the proposed legislation.

The PRESIDING OFFICER. The bill will be received and appropriately referred; and, without objection, the bill will lie on the desk, as requested by the Senator from Louisiana.

The bill (S. 3361) to amend and extend the provisions of the Sugar Act of 1948, as amended, introduced by Mr. ELLENDER (for himself and other Senators), was received, read twice by its title, and referred to the Committee on Finance.

Mr. BENNETT. Mr. President, I congratulate the senior Senator from Louisiana on the introduction of his bill. So far as I understand it, it varies from the bill I introduced on behalf of the administration only with respect to the limitations that would be put on the proposed powers of the President. This may be an important variation; if so, it will certainly be possible to work it out by a bipartisan approach to this very important problem, and we will be able to work out a definition of the powers of the President when the Committee on Finance has an opportunity to consider the two bills.

VALIDATION OF CERTAIN OVERPAYMENTS TO STATES

Mr. JOHNSTON of South Carolina. Mr. President, under the authority of the Flood Control Act of 1941, the Corps of Engineers was authorized to pay to the local counties 75 percent of the proceeds derived from the lease rental of lands having been declared surplus. These moneys were paid to the local counties. The Corps of Engineers also paid inadvertently to these counties 75 percent of the proceeds derived from the sale of certain licenses for recreational activities in connection with these same lands. During the fiscal years ending in 1954, 1955, and 1956 the Corps of Engineers overpaid to these counties located in 18 States a total of \$72,451.86.

Since this overpayment the General Accounting Office has directed the Corps of Engineers to deduct this amount from the future allotments paid to these counties from the proceeds of the lease rent-

als. Because of the serious financial conditions in these counties which was part of the very motive for the original authorization, I feel that Congress should validate these payments.

As we know, many thousands of acres of land were taken over, and that land was taken off the tax books.

Mr. President, I, therefore, introduce, for appropriate reference, a bill which would validate these payments with the hope that the Senate will see fit to enact this bill before Congress adjourns. Otherwise, the Corps of Engineers will deduct this amount. The States involved, the number of counties, and the amounts overpaid are as follows:

Alabama, 2 counties.....	\$112.50
Arkansas, 8 counties.....	16,045.67
Georgia, 3 counties.....	17,988.15
Illinois, 2 counties.....	1,254.75
Kansas, 2 counties.....	109.87
Louisiana, 9 parishes.....	5,086.12
Massachusetts, 1 county.....	502.50
Mississippi, 6 counties.....	7,272.51
Missouri, 4 counties.....	2,534.08
New Jersey, 1 county.....	18.75
Oklahoma, 3 counties.....	476.35
Pennsylvania, 1 county.....	11.25
South Carolina, 1 county.....	4,964.31
South Dakota, 2 counties.....	281.25
Texas, 6 counties.....	14,754.38
Vermont, 1 county.....	1.50
Virginia, 1 county.....	914.17
Washington, 1 county.....	123.75

Total 72,451.86

The PRESIDING OFFICER. The bill will be received and appropriately referred.

The bill (S. 3363) to validate certain overpayments inadvertently made by the United States to several of the States and to relieve certifying and disbursing officers from liability therefrom, introduced by Mr. JOHNSTON of South Carolina, was received, read twice by its title, and referred to the Committee on the Judiciary.

DR. HERMAN PIET KRAMER AND MARIE KRAMER

Mr. LONG of Hawaii. Mr. President, I introduce, for appropriate reference, a bill to facilitate U.S. citizenship for Dr. and Mrs. Herman Piet Kramer of Kalaupapa, Molokai.

Dr. Kramer is the only doctor at the Kalaupapa settlement and has been with the Hawaii Department of Health, department of Hansen's disease, since September 1957.

From 1952 to 1955, Dr. Kramer, a Dutch national, served as medical superintendent of the hospital in Apai, Western British Samoa. In 1955 he was offered a position in the medical service of American Samoa, where Dr. Kramer became chief of surgery.

Gov. Peter T. Coleman, of American Samoa, has cited Dr. Kramer for his work and noted that it contributed to "the mutual benefit of the Government and the Samoan people."

In September 1960, Dr. Kramer will have rendered 5 continuous years of service under the American flag, 2 of them in American Samoa. Under the Immigration and Nationality Act he is eligible to apply for naturalization after

5 years of American residence. The act, however, specifies that residence in American Samoa cannot be counted as part of the 5-year American residence requirement. This bill would provide that Dr. Kramer's 2 years in American Samoa would count toward American residence and enable Dr. Kramer to apply for naturalization in September 1960.

The PRESIDING OFFICER. The bill will be received and appropriately referred.

The bill (S. 3367) for the relief of Dr. Herman Piet Kramer and Marie Kramer, introduced by Mr. LONG of Hawaii, was received, read twice by its title, and referred to the Committee on the Judiciary.

CIVIL ACTIONS AGAINST CERTAIN GOVERNMENT OFFICERS IN JUDICIAL DISTRICT WHERE PLAINTIFF RESIDES

Mr. BENNETT. Mr. President, I introduce, for appropriate reference, a bill to permit civil actions to be brought against the Federal Government in the judicial district in which the plaintiff resides.

The purpose of this bill is simple. It is intended to make justice available to many who are now denied it for purely geographical reasons. Many types of legal actions must be brought by a plaintiff in Washington, which involves a considerable investment of both time and money. The result is that in many cases, particularly if the amount involved is only a few hundred dollars, the plaintiff forfeits his legal rights rather than risk the uncertainties of litigation over distances ranging up to several thousand miles.

And even in cases where the amounts involved may be larger, the possibility of a protracted suit often discourages the plaintiff from asserting his legal rights. For those living far from the Nation's Capital this amounts, in practice, to a denial of the right of equal protection under the law.

This problem has been particularly acute in the field of grazing suits, and I am cosponsor of a bill (S. 3174) introduced by the junior Senator from Idaho which would correct the problem in that one area. The purpose of the bill I am introducing today is to extend the principle to cover other types of suits. It would provide that when a citizen disagrees with the findings of an agency of the Federal Government, he may, after exhausting the administrative remedies available to him, file civil action with the U.S. attorney for the judicial district in which he resides.

Passage of this bill would help to establish stronger safeguards against capricious or ill-considered exercise of administrative powers by Federal agencies. I urge its early enactment.

The PRESIDING OFFICER. The bill will be received and appropriately referred.

The bill (S. 3368) to permit a civil action to be brought against an officer of the United States in his official capacity, a person acting under him, or an agency

of the United States, in any judicial district of the United States where a plaintiff in the action resides, introduced by Mr. BENNETT, was received, read twice by its title, and referred to the Committee on the Judiciary.

PROCEDURE FOR DETERMINATION OF ECONOMIC JUSTIFICATION OF CERTAIN INLAND WATERWAY IMPROVEMENT PROJECTS

Mr. CAPEHART. Mr. President, on behalf of myself, and the Senator from Delaware [Mr. FREAR], I introduce, for appropriate reference, a bill to establish the procedure for the determination of the economic justification of certain inland waterway improvement projects, and for other purposes. I ask unanimous consent that a brief statement relating to the bill be printed in the RECORD.

The PRESIDING OFFICER. The bill will be received and appropriately referred; and, without objection, the statement will be printed in the RECORD.

The bill (S. 3369) to establish the procedure for the determination of the economic justification of certain inland waterway improvement projects, and for other purposes, introduced by Mr. CAPEHART (for himself and Mr. FREAR), was received, read twice by its title, and referred to the Committee on Interstate and Foreign Commerce.

The statement presented by Mr. CAPEHART is as follows:

THE INTERSTATE COMMERCE COMMISSION SHOULD PARTICIPATE IN SURVEYS OF ECONOMIC JUSTIFICATION OF PROPOSED INLAND WATERWAY IMPROVEMENT PROJECTS DESIGNED TO AID NAVIGATION

Under present statutory procedures the agency that makes the recommendation to Congress regarding the desirability of inland waterway improvements is the Corps of Engineers, U.S. Army.

There is no specific injunction from Congress that requires the Corps of Engineers to give due regard to the effect of an improvement of an inland waterway upon the national transportation system. The corps has no responsibility for the development and maintenance of a sound national transportation system. Moreover, its functions and its past experience do not provide a basis upon which the corps could properly evaluate the effect of proposed inland waterway improvements upon existing transportation facilities. It is clear from a study of the reports of the Corps of Engineers on inland waterway improvement projects that it makes its recommendations without giving due consideration to the effect which the improvements would have either on competing forms of transportation or on the national transportation system as a whole.

The broad purpose of this bill is to place upon the Interstate Commerce Commission the duty and responsibility for making the principal study and report concerning the economic justification and the public convenience and necessity for the transportation features of every proposed inland waterway improvement project. The Interstate Commerce Commission is clearly the logical agency to be charged with this duty and responsibility.

The construction of a canal or the improvement of an inland waterway in aid of navigation constitutes an addition to the transportation facilities of the Nation. These waterways form a part of our national transportation system. The determination whether to build them should be based pri-

marily upon transportation considerations. At the very least their feasibility should be considered and reported upon by a transportation agency.

We have a declaration of national transportation policy the avowed objective of which is the development, coordination, and preservation of a national transportation system by water, highway, and rail, as well as other means, adequate to meet the needs of the commerce of the United States, of the postal service, and of the national defense. The Interstate Commerce Commission is charged with the duty of administering and enforcing the Interstate Commerce Act with a view to carrying out that declaration. Also the Interstate Commerce Commission is already charged with the responsibility of regulating domestic water carriers with respect to most of their activities, including the issuance of certificates of convenience and necessity to common carriers and permits to contract carriers.

Clearly, if the Commission is to have control over the issuance of certificates and permits it should be the agency delegated by Congress to make recommendations with respect to the wisdom of the Government constructing additional waterways, the provision of which has so much bearing on the effective exercise of authority over certificates and permits.

The basis upon which the Corps of Engineers generally has reached its determination of whether to recommend a particular inland waterway improvement project is very narrow and inadequate. In arriving at their recommendations, the Engineers first perform their appropriate function as engineers in estimating the total cost to build the project. From this they calculate annual costs, against which they balance benefits, consisting almost wholly of assumed savings in transportation costs as compared with charges over existing means and routes of transportation.

These so-called savings are, of course, not true economic savings but result principally from shifting true transportation costs from shippers to taxpayers through providing the waterway at public expense.

The determination of the economic impact upon existing transportation facilities and overall economic feasibility of an inland waterway project from a transportation viewpoint requires a careful analysis of rate structures, traffic generating possibilities and existing transportation facilities. The Army engineers are not transportation experts and should not be expected to evaluate these complex considerations.

It seems perfectly clear that a sound integrated national transportation policy can never be achieved so long as waterway improvements are made without regard to their effect on the transportation system as a whole. The true test of the economic justification for the improvement of an inland waterway should be the broad public interest. By that is meant that the determination should depend upon whether, in the event the improvement were made, the transportation system as a whole would be stronger or weaker and whether the total cost of transportation including the cost to taxpayers as well as to shippers would be greater or less. This points to the necessity of having the recommendation on the need of particular waterway improvements made by the agency responsible for the effectuation of a sound national transportation policy and the maintenance of a sound national transportation system.

This bill would provide that the national transportation policy as set forth in the Transportation Act of 1940 shall be a guide in the exercise of jurisdiction over the construction of works and improvements on the inland waterways of the United States in aid of navigation. Under its provisions no

Digest of CONGRESSIONAL PROCEEDINGS

OF INTEREST TO THE DEPARTMENT OF AGRICULTURE

OFFICE OF
BUDGET AND FINANCE

(For Department
Staff Only)

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Issued April 26, 1960
For actions of April 25, 1960
86th-2d, No. 74

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HIGHLIGHTS: Senate committee reported mutual security authorization bill. Senate passed Treasury-Post Office appropriation bill. House committee reported bill for multiple use management of national forests. Senator Ellender introduced user charges bill.

HOUSE

1. FORESTRY. The Agriculture Committee reported with amendment H. R. 10572, to direct that the national forests be managed under principles of multiple use and sustained yield (H. Rept. 1551). p. 8049
2. WATER RESOURCES. The Interior and Insular Affairs Committee reported with amendment H. R. 10513 permitting Kans. and Nebr. to negotiate and enter into a compact relating to apportionment of the waters of the Big Blue River and its tributaries as they affect such States (H. Rept. 1550). p. 8049
3. YOUTH CONSERVATION CORPS. Rep. Johnson, Colo., urged favorable committee action at an early date on S. 812, to establish a Youth Conservation Corps. p. 8037
4. FOREST ROADS. As reported by the Public Works Committee (see Digest 73) H. R. 10495, the Federal highway construction bill for 1960, contains an item of \$35,000,000 for forest development roads and trails for the fiscal year 1963.

SENATE

5. MUTUAL SECURITY. The Foreign Relations Committee reported with amendment (Apr. 22, during adjournment) S. 3058, the mutual security authorization bill (S.Rept. 1286). p. 7971
6. EXPORT CONTROL. The Banking and Currency Committee reported without amendment H. R. 10550, to extend the Export Control Act of 1949 for two additional years, until June 30, 1962 (S. Rept. 1287). p. 7972
7. PERSONNEL. The Post Office and Civil Service Committee reported the following bills: p. 7972
S. 2575, with amendment, to provide a health benefits program for certain retired employees of the Government (S. Rept. 1288).
H. R. 8241, with amendment, to amend the Civil Service Retirement Act so as to set terms, conditions, and computation of annuities for retired Members of Congress who are reemployed by the Federal Government (S. Rept. 1289).
8. TREASURY-POST OFFICE APPROPRIATION BILL, 1961. By a vote of 75 to 0, passed with amendments this bill, H. R. 10569. Conferees were appointed. pp. 8001, 8003-13
9. SUGAR. Sen. Church submitted an amendment he intends to propose to S. 3361, to extend the Sugar Act. He explained that the proposed amendment would reassign to our domestic sugar producers the Cuban quota of the annual growth increment, and that the "Secretary of Agriculture would be required to give to new and small producers a preference as to any increased acreage resulting from this reassignment." pp. 7980-1
Sen. Bennett requested that his name be added to the list of cosponsors of S. 3361, the Ellender sugar bill, stating that the provisions of this bill and his own bill, S. 3210, were acceptable to him, and that he had "been given assurance that either would be entirely acceptable to the men who must administer the act and use the powers." p. 8026
10. WILDERNESS AREAS. Sen. Bennett expressed his support for the proposed substitute bill by Sens. O'Mahoney and Allott for S. 1123, the wilderness preservation bill, stating his fear that the original bill as introduced "would give executive branch bureaucratic zealots with a wilderness monomania the unfettered power to invade and lock up forever vast stretches of our public domain," and inserted his statement discussing the bill. pp. 8026-8
11. WATERSHED; BUDGET. Sen. Allott inserted the address of Budget Bureau Director Stans at the National Watershed Congress discussing "the relationship of the Federal and local governments in the /watershed/ program, and the needs for proper use and development of our natural resources," and several newspaper items commenting on the Stans address. pp. 8017-9
12. APPROPRIATIONS. Sen. Byrd, Va., inserted a "current box score on appropriations before Congress this year," which was prepared by the Tax Foundation, Inc. pp. 8022-3
13. SURPLUS COMMODITIES; STOCKPILE. Sen. Byrd, Va., submitted the monthly report of the Joint Committee on Reduction of Nonessential Federal Expenditures on Federal stockpile inventories under this Department, GSA, and OCDM. pp. 7972-8

The bill (S. 3409) to amend the National Cultural Center Act, as amended, to enlarge the site within with the National Cultural Center may be built, introduced by Mr. DIRKSEN, was received, read twice by its title, and referred to the Committee on Public Works.

The memorandum presented by Mr. DIRKSEN is as follows:

The National Cultural Center Act (approved in September 1958) specifies a narrow and somewhat awkwardly placed plot of land in the Nation's Capital on which the National Cultural Center is to be built.

Part of the land within this site description is already owned by the U.S. Government, and part of the land is held by private owners. In order to carry out the intent of the National Cultural Center Act—namely, that the Government provide the land on which the building would be built, and the building itself would be paid for by private contributions—the Board of Commissioners of the District of Columbia allocated \$705,000 of Capper-Cramton Act appropriations for the purchase of the privately held land within the site described in the law.

The board of trustees and their architect-adviser tried to work out a design for facilities on this site but concluded that real justice could not be done in this way to the objectives of the National Cultural Center Act.

Accordingly, in conversations with Conrad L. Wirth, Director of the U.S. National Park Service, the idea arose for placing the National Cultural Center partly on land within the original site description and partly on U.S. Park Service land in order that a park and river setting could be achieved for the National Cultural Center.

Incidental to such a shift in the location of the building would be the relocation of Rock Creek-Potomac Parkway so that it is moved out of the way of the proposed building. This shift of the parkway necessitates the acquisition of certain small parcels of private land not already included within the original site description in the act.

At the time this site shift was considered in 1959, it was generally believed that the \$705,000 of Capper-Cramton money would cover most of the cost of buying the privately held land, and that any small balance would be covered by funds collected from fund raising. On this basis then, the board of trustees approved an architectural concept which, in accordance with the law, was submitted, for approval, to the Commission of Fine Arts, with a full explanation of the change in plans. The Commission of Fine Arts enthusiastically endorsed the building plan, as did the National Capital Planning Commission and the District of Columbia Board of Commissioners.

PROBLEM

In the past year, active work has been proceeding in redeveloping the Foggy Bottom area of the Nation's Capital. This factor, as well as announcement of plans for a National Cultural Center in this area, have caused land values to nearly triple. Informal appraisals by the appraisers employed by the National Capital Planning Commission, indicate that the \$705,000 of Capper-Cramton money is no longer adequate to complete the purchase of the privately held land.

The trustees are beginning to experience fund-raising difficulties because of inability to show that they have a clear title to the land on which the center is to be built, and no funds are available with which to buy the land. Part of the difficulty is that prospective donors do not want to give to a project which does not have a clear title to the land, and they had understood that the Government was providing the land.

In the second place, the National Cultural Center Act limits the life of the board of trustees to 5 years. In the event that the National Cultural Center project fails, all lands acquired for this purpose revert to the U.S. Government. Hence, prospective donors are either refusing to give in the face of this uncertain situation, or they are exercising their rights under the section of the law which provides that they may designate an alternative beneficiary for their donations in case the National Cultural Center project fails. As a consequence of these reservations, no funds are available with which to buy land.

The board of trustees is not even in a position to go to a bank and obtain a mortgage on the U.S.-owned land earmarked for the center, because of the 5-year death sentence in the act. In other words, no bank will give a mortgage on a piece of land which reverts to the U.S. Government in 1963.

In the face of these problems, the board of trustees authorized its officers on March 31, 1960, to explore with the appropriate Members and committees of Congress the possibility of:

1. Amending the National Cultural Center Act in order to enlarge the center site so that the structure can be built in accordance with the approved plan as shown in the National Capital Planning Commission file No. 1-8-618.

2. Obtaining from the Congress an appropriation of such funds as would be required to secure all of the private lands needed to build the center in accordance with the approved concept.

In seeking this appropriation, the board of trustees notes that the expenditure of the additional funds may be considered a prudent investment for the U.S. Government for the following reasons:

1. Purchase of the privately held land as soon as possible will halt the rising value thereof at 1960 prices.

2. Even should the National Cultural Center project fail by 1963, the land which will revert to the U.S. Government can be used for another Governmental purpose, and the price of the land would have been held to the 1960 price.

3. Should the United States desire to sell the land for a nongovernmental purpose in 1963, the Government could profit from the general rise on land values in the Foggy Bottom area and make the sale at a higher price than the 1960 purchase price.

REPEAL OF CERTAIN LAWS RELATING TO PURCHASE OF SILVER

Mr. GREEN. Mr. President, on behalf of myself, my colleague, the junior Senator from Rhode Island [Mr. PASTORE], and the Senators from Connecticut [Mr. BUSH and Mr. DONN] I introduce, for appropriate reference, a bill to repeal the silver purchase laws.

In 1942, I introduced in the Senate the so-called Green silver bill which, because of the strenuous opposition of the so-called silver bloc, failed of passage. In 1943, however, I again introduced the bill and, after a long and hard fight, it was enacted into law. It has been said many times that this measure saved the silver and jewelry industries of New England.

The Silver Purchase Act was passed in 1934 and, it will be recalled that after the passage of this act, the price of American silver continually rose. In the opinion of most unprejudiced econo-

mists, the silver-buying policy of the Government has proved to be the most atrocious example of special-privilege furthered by law to be found in American history. This, together with the other silver laws which have been enacted by the Congress have fastened upon the United States Treasury the payment of huge subsidies to the American producers of silver and today the Government vaults at West Point are bulging with thousands of tons of silver for which the U.S. Government has paid more than the market price.

This bill which I am introducing today would end these unsound monetary practices. It would end the support prices to producers of silver and permit a free and open market for silver. It would repeal a requirement in law that the Treasury must value monetized silver at \$1.29 an ounce although its only real value is the market price—currently 91½ cents an ounce.

It has been said that the silver paper dollar is the only money 100 percent backed by the metal it represents. This is meaningless. The value of the backing is what matters and this depends on the market price for silver. An unguaranteed value of 70 cents for a paper dollar is not 100 percent backing.

Although the silver purchase laws were originally passed under the guise of being necessary to our monetary system, this myth has long since been exploded. The production of silver in this country is largely a byproduct in the production of copper, lead, and zinc. No one can say today that the copper producers need a higher price for silver in order to operate profitably. In fact, when hearings were held in the last session of Congress on the state of the mining industry, the copper producers were conspicuous by their absence.

Recently, a president of a silver mining company pointed out that the policy expressed in the Silver Purchase Act of 1934 is not being fulfilled. There are very good reasons for this fact. In the first place, this policy would require the purchase of 1.6 billion ounces of silver from foreign sources. In the second place, there is not that much silver available at any price. Finally, the Secretary of the Treasury is to carry out this policy only when he deems it reasonable and most advantageous to the public interest. This silver would be paid for in gold and would result in a drain on our gold reserves of probably \$2 million. It would disrupt the subsidiary coinage system of every nation in the world which uses silver. It is pertinent to point out that any increase in the price of silver brought about by governmental action would result in a profit going largely to foreign producers.

There has been a great deal of talk in the last year about consumption of silver far surpassing production. The figures which are given to support this assumption are tailored to suit the particular case. If the producers of silver believe their own contentions, they should join forces with those behind this bill and quickly repeal the silver purchase laws.

In this session of the Congress I trust that the Senate Committee on Banking and Currency, to which this bill should be referred, will hold hearings on the measure so that the views of all concerned—especially those of the administration—can be publicly heard, and so that after such hearings, the bill will be reported to the Senate for further action.

The PRESIDENT pro tempore. The bill will be received and appropriately referred.

The bill (S. 3410) to repeal certain legislation relating to the purchase of silver, and for other purposes, introduced by Mr. GREEN (for himself, Mr. PASTORE, Mr. BUSH, and Mr. DODD), was received, read twice by its title, and referred to the Committee on Banking and Currency.

ADMISSIONS AND CONFESSIONS IN CRIMINAL PROCEEDINGS

Mr. ERVIN. Mr. President, until the decision of the Supreme Court of the United States in the Mallory case and its predecessor, the McNabb case, it was universally recognized, both in the Federal courts and in the State courts of the Nation, that the best evidence of guilt was the voluntary confession of the accused.

In the Mallory case, and its predecessor case, the McNabb case, however, the Supreme Court of the United States abolished this wise and salutary rule of evidence, so far as the Federal courts were concerned, by subverting a statute relating to the duty of an arresting officer into a rule of evidence in violation, I maintain, of the intent of Congress.

As a result of the decision, many persons of undoubted guilt have been set free. One of the most notorious of them was Andrew Mallory.

Some of us believe that enough has been done for those who murder and rape and rob, and that it is time to do something for those who do not wish to be murdered or raped or robbed.

For this reason, on behalf of the senior Senator from Virginia [Mr. BYRD], the senior Senator from Arkansas [Mr. McCLELLAN], the senior Senator from South Carolina [Mr. JOHNSTON] and myself, I introduce a bill to make voluntary admissions and confessions admissible in criminal proceedings and prosecutions in the courts of the United States and the District of Columbia.

Mr. President, I ask unanimous consent to have printed in the RECORD at this point, as a part of my remarks, an editorial on this subject which appeared in the Washington Evening Star of April 24, 1960.

There being no objection, the editorial was ordered to be printed in the RECORD, as follows:

[From the Washington Evening Star, Apr. 24, 1960]

NEW MALLORY VICTIM

A Supreme Court decision 3 years ago resulted in the release in Washington of Andrew Mallory, a convicted and unquestionably guilty rapist. Now Mallory is behind bars again, having been indicted in Philadelphia on another rape charge.

The Supreme Court's decision was based on a technicality—that too much time (7½

hours) had elapsed between Mallory's arrest and his arraignment before a judge. It was not based on any assumption that he was not guilty, or on any finding that his confession had been extorted by third-degree methods. It was based on a technicality pure and simple.

The evil of this, as we said at the time, is that it ignored the right of the public to be protected against such characters as Andrew Mallory. This public right was subordinated to a technical point of law. And now, 3 years later, another woman has been subjected to the same ordeal. This time, however, if the evidence supports the indictment, Mallory may be taken out of circulation. For the so-called Mallory rule laid down by the Supreme Court will not be applicable to his trial in Philadelphia.

If so, there will be a long-overdue happy ending to the Mallory case. But the Mallory rule will still be in force in Washington, and the need for congressional modification of it will still exist. Perhaps this latest outrage will help to that end.

Mr. ERVIN. I send forward the bill in question and ask that it be printed in the RECORD at this point and that it be appropriately referred.

The PRESIDENT pro tempore. The bill will be received and appropriately referred, and, without objection, the bill will be printed in the RECORD.

The bill (S. 3411) to make voluntary admissions and confessions admissible in criminal proceedings and prosecutions in the courts of the United States and the District of Columbia, introduced by Mr. ERVIN (for himself and other Senators), was received, read twice by its title, referred to the Committee on the Judiciary, and ordered to be printed in the RECORD, as follows:

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, Notwithstanding the provisions of rule 5 of the Rules of Criminal Procedure for the United States District Courts or any other rule or statute of like purport, a voluntary admission or a voluntary confession of an accused shall be admissible against him in any criminal proceeding or prosecution in the Courts of the United States or in the District of Columbia, and the finding of the trial court in respect to the voluntariness of the admission or confession shall be binding upon any reviewing court in the event it is supported by substantial evidence.

AMENDMENT OF MUTUAL SECURITY ACT OF 1954—AMENDMENTS

Mr. WILLIAMS of Delaware. Mr. President, I submit an amendment to the mutual security bill, S. 3058, which I ask to have printed and lie on the table.

The purpose of the amendment is to amend section 502(b) of the Mutual Security Act for the purpose of requiring an accounting of expenditures of counterpart funds on the part of Members of Congress.

The PRESIDENT pro tempore. The amendment will be received and printed, and will lie on the table.

Mr. AIKEN (for himself and Mr. WILLIAMS of Delaware) submitted amendments, intended to be proposed by them, jointly, to Senate bill 3058, supra, which were ordered to lie on the table and to be printed.

AMENDMENT OF SUGAR ACT OF 1948, AS AMENDED

Mr. CHURCH. Mr. President, I submit, with the request that it be printed, an amendment intended to be proposed by me to the bill—S. 3361—to amend and extend the Sugar Act of 1948, as amended.

The amendment I submit today is identical to the one I introduced to an earlier sugar act extension bill, S. 3210. On March 30, I made a statement of my reasons for so doing.

I ask unanimous consent that a portion of my remarks on March 30, 1960, be reprinted at this point in the RECORD.

There being no objection, the statement was ordered to be printed in the RECORD, as follows:

An efficient domestic and mainland sugar industry must be maintained if a reasonable degree of national self-sufficiency is to be provided. Our sugar program assures the American consumers an adequate supply of sugar at reasonable prices, maintains and protects the welfare of the domestic sugar industry, and promotes the export trade of the United States.

This program cannot be permitted to come to an end, and it must not be tampered with indiscriminately.

But, Mr. President, I believe that a principle long incorporated in the act could well be extended. This is the principle that new and small producers ought to receive special consideration.

After World War II, returning veterans and others who then established themselves on homesteads and other farms without beet acreage allotments, have sought to participate in this program. The act directs the Secretary of Agriculture to give a preference to this type of grower; but, as a practical matter, the amounts available have been too small to be useful.

Yet sugar is a most attractive cash crop, and without it the new farmers are at a great disadvantage in their communities.

Sugar beets return what they take from the soil. They promote soil equilibrium, when grown in rotation with hay, grains, and legumes. A ton per acre of their extensive root systems is left in the soil, to rebuild it.

The byproducts of beet sugar—tops, molasses, and pulp—provide a rich and necessary source of supplement feed for livestock. Proper feed of these byproducts will produce 300 pounds of meat for each acre of beets.

If the new farmers could be helped, without doing violence to the traditional beet planting patterns, it would be a good thing for Idaho and other beet areas.

I think this can be done. That is the purpose of an amendment which I intend to offer to S. 3210, and which I send to the desk, with the request that it be printed.

At the present time, there is consumed in the United States, each year, about 150,000 tons more sugar than that consumed in the preceding year. This growth, which results from the increase in our population, and also from a growth in the per capita rate of sugar consumption, is now allocated between our domestic producers, on the one hand, and Cuba and other foreign producers, on the other, in the ratio of 55 to 45. Cuba's share of this growth is about 30 percent of the total; and the other foreign countries, except the Philippines, have about 15 percent of the total. The Philippines have a fixed annual quota, and that country does not share in additional allocations arising from the growth in our market.

My amendment would reassign to our domestic producers the Cuban quota of the annual growth increment.

Under the Sugar Act, the domestic beet sugar areas are allocated about 40 percent of new domestic quotas. Forty percent of the amount reassigned from Cuba would furnish increased acreage in significant proportions. Under the second part of my amendment, the Secretary of Agriculture would be required to give to new and small producers a preference as to any increased acreage resulting from this reassignment.

Thus, on a progressive basis, each year more acreage would be available to help these new and small growers. They have had a preference in the past; but, as I have pointed out, the added acreage has been too small to be of help to them.

I think it eminently fair that the part of the new acreage which, under my amendment, would be reassigned from Cuba, should be subject to this preference for new and small producers. This would take a sound and constructive step to meet the need of this particular group, without disturbing the balance of the Sugar Act's operation or violating its spirit.

The PRESIDENT pro tempore. The amendment will be received and printed, and appropriately referred.

The amendment was referred to the Committee on Finance.

NOTICE OF HEARINGS ON CERTAIN BILLS BY SUBCOMMITTEE ON HOUSING OF COMMITTEE ON BANKRUPTCY AND CURRENCY

Mr. SPARKMAN. Mr. President, as chairman of the Subcommittee on Housing of the Committee on Banking and Currency, I announce that public hearings will begin on May 9, 1960, during which the subcommittee will consider S. 467, S. 914, S. 1342, S. 1680, S. 1955, S. 2911, S. 2912, S. 2950, S. 3042, S. 3148, S. 3226, S. 3276, S. 3278, S. 3282, S. 3291, S. 3292, S. 3379, and other bills which may be referred to the subcommittee between now and May 9. The hearings will be held in room 5302, New Senate Office Building. Persons wishing to appear before the subcommittee should communicate with Mr. James B. Cash, Jr., staff director, Subcommittee on Housing, room 5228, New Senate Office Building, Washington 25, D.C.—telephone number, Capitol 4-3121, extension 6348—on or before May 4, 1960.

NOTICE CONCERNING NOMINATION OF FRANCIS ADAMS CHERRY TO BE MEMBER OF SUBVERSIVE ACTIVITIES CONTROL BOARD

Mr. McCLELLAN. Mr. President, the following nomination has been referred to and is now pending before the Committee on the Judiciary:

Francis Adams Cherry, of Arkansas, to be member of Subversive Activities Control Board, for a term of 5 years, expiring March 4, 1965—reappointment.

On behalf of the Committee on the Judiciary, notice is hereby given to all persons interested in this nomination to file with the committee, in writing, on or before Monday, May 2, 1960, any representations or objections they may wish to present concerning the above nomination, with a further statement whether it is their intention to appear at any hearing which may be scheduled.

ADDRESSES, EDITORIALS, ARTICLES, ETC., PRINTED IN THE APPENDIX

On request, and by unanimous consent, addresses, editorials, articles, etc., were ordered to be printed in the Appendix, as follows:

By Mr. BARTLETT:

Statement by him relating to the bill (S. 3005) to amend the act of March 3, 1933 (47 Stat. 1426), relating to the length of time by which the Federal Maritime Board may suspend tariff schedules, and quoting letter written by the Administrator, General Services Administration, dated April 13, 1960, to the chairman of the Committee on Interstate and Foreign Commerce, of the Senate, relating to the aforementioned bill.

Statement of Russell E. Garrett, chairman of the Movers Committee for Equitable Distribution of Government Traffic, relating to the distribution of business to movers of household goods.

By Mr. YARBOROUGH:

Editorial entitled "Request by Interior Secretary Boosts Padre Island Park Hopes," published in the Houston (Tex.) Post of April 19, 1960; and editorial entitled "One More Hurdle Cleared by Padre Park Proposal," published in the Corpus Christi (Tex.) Caller of April 20, 1960.

By Mr. CLARK:

Article entitled "College Loyalty Oaths," published in the April 1960 issue of Coronet magazine.

Poem entitled "Laments for a Dying Language," written by Odgen Nash.

By Mr. BUSH:

Article entitled "Liberals' Stand Fattens Banks, Hurts Housing Credit," written by Harold B. Dorsey, and published in the Washington Post of April 25, 1960.

By Mr. ROBERTSON:

Article entitled "History of Lebanon Baptist Church, Lancaster County, Va.," written by Robert O. Norris, Jr., former member of the Virginia Senate, and published in Northern Neck of Virginia Historical Magazine for December 1959.

By Mr. FONG:

Article entitled "International College and Study Center Making Headway in Hawaii for Racial and East-West Accord," written by Thomas Nickerson, and published in the Christian Science Monitor of March 12, 1960.

By Mr. HRUSKA:

Article on "Arbor Day," written by Mrs. Heddy Piskac Kohl, and published in the April 1960 issue of the Fraternal Herald.

By Mr. KEFAUVER:

Sundry articles commenting on drug price investigations, which will appear hereafter in the Appendix.

By Mr. FULBRIGHT:

Press release issued by Seventh National Watershed Congress regarding Six Mile Creek watershed project in Logan and Franklin County, Ark., soil conservation districts.

By Mr. YOUNG of North Dakota:

Letter addressed to the Honorable Fred A. Seaton, Secretary of the Interior, written by the President, National Coal Policy Conference, Inc., Washington, D.C., relating to the problems of administration in the residual oil importation program.

By Mr. RANDOLPH:

Speech delivered April 24, 1960, at dedication services for the new post home of Sumners County Post No. 4500, Veterans of Foreign Wars of the United States, West Virginia Department, at Hinton, W. Va.

DEMOCRATIC PRESIDENTIAL CANDIDATES

Mr. MANSFIELD. Mr. President, last Thursday, three of our distinguished colleagues—three outstanding candidates for the Democratic nomination for the

Presidency—addressed the American Society of Newspaper Editors.

The three statements which were delivered are very revealing. They tell much of the caliber of the men who made them. To Americans, generally, these statements should be a source of reassurance, for, if these men or their equals are elected, we can be sure that the Nation will be in the hands of strong, able, and intelligent men. To Democrats, in particular, these statements are indicators of the great wealth of the Presidential potential within our party. Senator KENNEDY, Senator SYMINGTON, and Senator HUMPHREY, as do our other candidates, possess a great depth of sincerity, as well as a capacity to analyze and the courage to face public issues as they arise. These are characteristics which are desperately needed in the next President; and we are fortunate that the Democratic Party has candidates in these three Senators and in others who possess these characteristics in such ample measure.

The statements to which I have referred suggest to me that we Democrats cannot be beaten by any Republican in the coming presidential election, but that we can beat ourselves. If we are rejected by the people of the United States, in November, it will be because we have, first, rejected our party responsibility to clarify and unite on the great issues of public policy and performance. It will be because we have rejected this responsibility in a synthetic struggle over such extraneous matters as religion, sectional origins, and television personality ratings. We shall have forgotten that in choosing a Democratic candidate, we are not choosing a minister, priest, or rabbi of a church, or a director of a historical society dedicated to keeping alive the memory of the War Between the States, or a matinee idol, but the potential President of all parts and all the people of this Nation.

Senator HUMPHREY and Senator KENNEDY have been drawn, inadvertently, into one of these extraneous matters—that of religion. It was not the doing of either man. Yet both of them have suffered from the arrows of misguided religious passion and slime-coated prejudice which have been let loose in the past few weeks.

I do not know of any two men in public life with a more accurate comprehension of the essentials of our free society than the Senator from Massachusetts and the Senator from Minnesota. I do not know of any two men with a greater dedication to the twin rocks of religious freedom and separation of church and state, upon which this free society so heavily rests. That is why I have deplored the injection by others of this spurious issue between them in Wisconsin and West Virginia. That is why I welcome the statements which they made last Thursday before the American Society of Newspaper Editors.

These statements set the record straight on the matter of religion, as between them; and I hope that, through the editors, they will thereby have set it straight for the rest of the Nation. I hope that, with these statements, they

will have spoken for the last time on this matter. From now on, let the prejudiced explain their prejudices, if they will. The unprejudiced do not have to discuss their lack of them.

Mr. President, I ask unanimous consent that the three statements previously referred to, as they appeared in the New York Times on April 22, 1960, be printed at this point in my remarks.

There being no objection, the statements were ordered to be printed in the RECORD, as follows:

[From the New York Times, Apr. 22, 1960]

TEXTS OF SPEECHES BY KENNEDY, SYMINGTON, AND HUMPHREY AT EDITORS' CONVENTION—HUMPHREY JOINS WITH KENNEDY IN DEPLORING INJECTION OF RELIGIOUS ISSUE INTO POLITICS

SENATOR KENNEDY

I have decided, in view of current press reports, that it would be appropriate to speak with you today about what has widely been called "the religious issue" in American politics.

The phrase covers a multitude of meanings. There is no religious issue in the sense that any of the major candidates differ on the role of religion in our political life. Every presidential contender, I am certain, is dedicated to the separation of church and state, to the preservation of religious liberty, to an end to religious bigotry, and to the total independence of the officeholder from any form of ecclesiastical dictation.

Nor is there any real issue in the sense that any candidate is exploiting his religious affiliation. No one's candidacy, by itself, raises a religious issue. And I believe it is inaccurate to state that my "candidacy created the issue."

Nor am I appealing, as is too often claimed, to a so-called Catholic vote. Even if such a vote exists—which I doubt—I want to make one thing clear again: I want no votes solely on account of my religion. Any voter, Catholic or otherwise, who feels another candidate would be a superior President should support that candidate. I do not want any vote cast for me for such illogical and irrelevant reasons.

Neither do I want anyone to support my candidacy merely to prove that this Nation is not bigoted—and that a Catholic can be elected President. I have never suggested that those opposed to me are thereby anti-Catholic. There are ample legitimate grounds for supporting other candidates (though I will not, of course, detail them here).

Nor have I ever suggested that the Democratic Party is required to nominate me or face a Catholic revolt in November. I do not believe that to be true—I cannot believe our convention would act on such a premise—and I do believe that a majority of Americans of every faith will support the Democratic nominee, whoever he is.

What is the issue?

What, then, is the so-called religious issue in American politics today? It is not, it seems to me, my actual religious convictions—but a misunderstanding of what those convictions actually are.

I know the press did not create this religious issue. My religious affiliation is a fact—religious intolerance is a fact. And the proper role of the press is to report all facts that are a matter of public interest.

But the press has a responsibility, I think you will agree, which goes far beyond a reporting of the facts. It goes beyond lofty editorials deploring intolerance. For my religion is hardly, in this critical year of 1960, the dominant issue of our time.

The members of the press should report the facts as they find them. But they should

beware, it seems to me, of either magnifying this issue or oversimplifying it.

I spoke in Wisconsin, for example, on farm legislation, foreign policy, defense, civil rights, and several dozen other issues. But I rarely found them reported in the press, except when they were occasionally sandwiched in between descriptions of my handshaking, my theme song, family, haircut, and, inevitably, my religion.

At almost every stop in Wisconsin I invited questions, and the questions came—on price supports, labor unions, disengagement, taxes, and inflation. But these sessions were rarely reported in the press except when one topic was discussed: religion.

One article, in a news magazine, for example, supposedly summing the primary up in advance, mentioned the word Catholic 20 times in 15 paragraphs, not mentioning even once dairy farms, disarmament, labor legislation, or any other issue. And on the Sunday before the primary, the Milwaukee Journal featured a map of the State, listing county by county the relative strength of three types of voters—Democrats, Republicans, and Catholics.

Problems are stressed

Now we are in West Virginia. As reported to today's Washington Post, the great bulk of West Virginians paid very little attention to my religion, until they read repeatedly in the Nation's press that this was the decisive issue in West Virginia. There are many serious problems in that State, problems big enough to dominate any campaign, but religion is not one of them.

I do not think that religion is the decisive issue in any State. I do not think it should be, and recognizing my own responsibilities in that regard, I am hopeful that you will recognize yours also.

For the past month and years I have answered almost daily inquiries from the press about the religious issue. I want to take this opportunity to turn the tables, and to raise some questions for your thoughtful consideration.

First, is the religious issue a legislative issue in this campaign?

There is only one legitimate question underlying all the rest: Would you, as President of the United States, be responsive in any way to ecclesiastical pressures or obligations of any kind that might in any fashion influence or interfere with your conduct of that office in the national interest? I have answered that question many times. My answer was, and is, "No."

Once that question is answered, there is no legitimate issue of my religion, but there are, I think, legitimate questions of public policy, of concern to religious groups which no one should feel bigoted about raising, and to which I do not object answering. But I do object to being the only candidate required to answer those questions.

Federal assistance to parochial schools, for example, is a very legitimate issue actually before the Congress. I am opposed to it. I believe it is clearly unconstitutional. I voted against it on the Senate floor this year, when offered by Senator MORSE. But interestingly enough, I was the only announced candidate in the Senate who did so. Nevertheless I have not yet charged my opponents with taking orders from Rome.

The envoy issue

An Ambassador to the Vatican could conceivably become a real issue again. I am opposed to it, and said so long ago. But even though it was last proposed by a Baptist President, I know of no other candidate who has been even asked about this matter.

The prospects of any President ever receiving for his signature a bill providing foreign-aid funds for birth control are very remote indeed. It is hardly the major issue some have suggested. Nevertheless I have

made it clear that I would neither veto nor sign such a bill on any basis except what I considered to be the public interest, without regard to my private religious views. I have said the same about bills dealing with censorship, divorce, our relations with Spain, or any other subject.

These are legitimate inquiries about real questions which the next President may conceivably have to face. But these inquiries ought to be directed equally to all candidates.

Secondly, can we justify analyzing voters as well as candidates strictly in terms of their religion? I think the voters of Wisconsin objected to being categorized simply as either Catholics or Protestants in analyzing their political choices. I think they objected to being accosted by reporters outside of political meetings and asked one question only—their religion—not their occupation or education or philosophy or income—only their religion.

The flood of postprimary analyses on the so-called "Catholic vote" and "Protestant vote"—carefully shaped to conform with their author's preprimary predictions—would never be published in any competent statistical journal.

Only this week, I received a very careful analysis of the Wisconsin results. It conclusively shows two significant patterns of bloc voting: I ran strongest in those areas where the average temperature in January was 20 degrees or higher, and poorest in those areas where it was 14 degrees or lower—and that I ran well in the beech tree and basswood counties and not so well among the hemlock and pine.

It has been suggested, that to offset my apparent political handicaps I may have to pick a running-mate from Maine or, preferably, Alaska.

Kennedy doubts analyses

The facts of the matter are that this analysis stands up statistically much better than all the so-called analyses of the religious vote. And so do analyses of each county based on their distance from the Minnesota border, the length of their Democratic tradition and their inclusion in my campaign itinerary. I carried some areas with large proportions of voters who are Catholics—and I lost some. I carried some areas where Protestants predominate—and I lost some.

It is true that I ran well in cities—and large numbers of Catholics live in cities. But so do union members and older voters and veterans and chess fans and basswood lovers. To say my support in the cities is due only to the religion of the voters is incapable of proof.

Of those Catholics who voted for me, how many did so on grounds of my religion—how many because they felt my opponent was too radical—how many because they resented the attacks on my record—how many because they were union members—how many for some other reason? I do not know. And the facts are that no one knows.

The voters are more than Catholics, Protestants or Jews. They make up their minds for many diverse reasons, good and bad. To submit the candidates to a religious test is unfair—to apply it to the voters themselves is divisive, degrading and wholly unwarranted.

Third and finally: Is there any justification for applying special religious tests to one office only? The Presidency? Little or no attention was paid to my religion when I took the oath as Senator in 1953—as a Congressman in 1947—or as a naval officer in 1941. Members of my faith abound in public office at every level except the White House. What is there about the Presidency that justifies this constant emphasis upon a candidate's religion and that of his supporters?

Differences between the Senate bill and a House version were ironed out on the last night of the 1958 session. The conference bill was passed by the House but died in the Senate on a point of order.

Last year the House approved clarifying legislation but there was no consideration of the bill on the Senate side. While there was considerable support in both Houses for the legislation, a controversy over the language in the bills could not be resolved.

Senator O'MAHONEY, chairman of the Judiciary Subcommittee which held hearings on the legislation, insisted that revision of the law include the word "reasonable" before "delay."

REVISED WORDING

So qualified, the revision would read:
"Evidence, including statements in confessions otherwise admissible, shall not be

inadmissible solely because of reasonable delay in taking an arrested person before a commissioner or other officer empowered to commit persons charged with offenses against the laws of the United States."

The House did not want the word "reasonable" in the revision.

A number of defendants here and in other Federal jurisdictions have gone free on successful appeals based on the Mallory rule.

In January 1958, less than 6 months after he was freed, Mallory was charged with housebreaking and assault on the daughter of a woman who had befriended him. The housebreaking charge was dropped, but he was convicted of simple assault and sentenced to 120 days in jail.

Mr. BYRD of Virginia. The effect of the Warren Court decision in the Mallory case has been tremendous. The

difficulties it has caused in law enforcement are untold. The so-called Mallory rule has been applied to convictions in State courts all over the country.

Appearing before the Senate Judiciary Subcommittee on Improvements in the Federal Criminal Code on July 17, 1958, Oliver Gasch, U.S. attorney for the District of Columbia, submitted a list of more than a score of cases in an exhibit entitled "An Analysis of 'Court of Appeals Cases Involving the Mallory Rule.'" I ask unanimous consent that this analysis by District Attorney Gasch be inserted in the RECORD at this point.

There being no objection, the analysis was ordered to be printed in the RECORD, as follows:

Court of appeals cases involving the Mallory rule

Defendant	Appeal No.	Criminal case No.	Violation	Status	Problem	Time
Bailey	13642	33-56	1st degree murder	Affirmed June 13, 1957. Supplemental memo denied Nov. 1, 1957.	(1) Statements not questioned on appeal until after appeal decided on other issues raised. (2) After shooting, defendant immediately ran to police precinct and spontaneously volunteered confession. (3) Defense counsel elicited fact of subsequent similar confession to an examining psychiatrist.	Oral: Spontaneous. Written began 10 hours after oral.
Watson	13698	1162-53	do	Reversed Aug. 19, 1957	Statement made after intermittent questioning of several hours, followed by reenactment and recovery of evidence.	Arrested: 6:40 p.m. Oral: 3:15 a.m.
Lawsou	13697	599-56	Housebreaking	Affirmed Oct. 3, 1957	(1) No objection in trial court. (2) Viewed as entirety, situation favorable to defendant.	
Carter	13222	644-55	1st degree murder	Reversed. Opinion followed on Oct. 24, 1957.	Statements made during brief periods of interrogation which interspersed by long intervals of no interrogation, and attempted verification of successive statements as to alibi, accident, partial confession, and finally reducing oral confession to writing.	Arrested: 8 p.m. 1st oral: Midnight. Written began approximately 3 a.m.
Metoyer	13970	109-57	2d degree murder	Affirmed Nov. 13, 1957	(1) Exculpatory statements made immediately upon arrest, not violation of Mallory. (2) Delay solely for the purpose of reducing oral statements to writing is not improper.	Oral: Spontaneous. Written began approximately 1 hour after oral.
Perry	14058	1292-56	Rape	Affirmed Dec. 12, 1957	Mallory does not apply to statements made en route to police headquarters.	Arrested: 10:30 p.m. Oral made en route to police station.
Cook	13806	818-56	2d degree murder	Affirmed Dec. 26, 1957	(1) Not raised in trial court.	
McGirr	14217	36-57	Transporting motor vehicle, interstate commerce.	Affirmed Feb. 6, 1958	Statements made by a serviceman to military police who were investigating a prior entry of an unregistered automobile onto the military reservation. Mallory raised and abandoned in trial court as to exculpatory statements.	
Edmonds	14004	110-57	2d degree murder	Reversed Feb. 7, 1958. Vacated Apr. 15, 1958. En banc argued Apr. 23, 1958. Pending decision.		
Starr	13865	745-56	do	Reversed Feb. 13, 1958	Exculpatory statement placed in evidence solely to show sanity. Court held this violated Mallory principle.	
Blackshear	14139	253-57	Attempted robbery; assault with dangerous weapon.	Affirmed Feb. 20, 1958	(1) Not raised in trial. (2) Statements were exculpatory.	
Cecil O'Shields	13812 13816	1024-56 1024-56	Robbery; housebreaking.	Affirmed Feb. 27, 1958	1. Exculpatory statements spontaneous with arrival of police. 2. Statements at police cell block in response to finding victim's watch abandoned in scout car which transported defendants.	Arrested: 8 p.m. Confessed: 9 a.m.
Milton Mallory not Andrew Mallory.	14023	1268-56	Carnal knowledge	Affirmed June 19, 1958. (See opinion dated Mar. 31, 1958.)	Statements made during some 5 minutes of questioning which was preceded by some 12 hours of no interrogation and attempted verification of the carnal knowledge complaint of an 8-year old female. Defendant intoxicated.	
Trilliug	13069 13165 13212	965-55 966-55 967-55	Housebreaking	Reversed in all but 1 count of 1 indictment Apr. 17, 1958.	1. 3 different trial judges held no violation of Mallory. 2. No statement during questioning for an hour; followed by spontaneous confession to a friendly police officer. 3. Several subsequent statements regarding several other unsolved crimes. 4. Statements as to still other crimes, made after arraignment.	Arrested: 5:30 a.m. 1st oral confession: 8:30 (valid). Subsequent confession began 9:40 a.m.
Gilliam	13956	223-57 232-57	Robbery	Affirmed Apr. 24, 1958	1. During 3-hour period of no interrogation accusers were brought to police headquarters with defendant's consent. Statement made at end of 3-hour interval. 2. After arraignment, similar statements made to a visitor defendant requested to visit him in jail. 3. No objection to admission of statements in the trial.	
Blackney	13744	879-56	Housebreaking and larceny.	Affirmed May 1, 1958	1. Statement made after waiver of out of-town arraignment and during 3-hour trip to Washington. 2. Time lapse to reduce oral statements to writing. 3. No objection to admissibility in trial court.	Arrested 3 p.m. Oral statements made during 3-hour travel from Berryville, Va.
Edwards	14172 14175 14176	69-56 70-56 71-56	Robbery	Affirmed May 9, 1958	Does collateral attack under 28 U.S.C. 2255 reach counsel's failure at trial to contest a confession.	
Evans	14277	323-55	Unauthorized use of motor vehicle.	Affirmed May 22, 1958	Cross-examination of the defendant as a witness with own extrajudicial statement, allegedly taken in violation of Mallory.	
Thomas	14266	15-57	2d degree murder	Affirmed June 24, 1958	Repetition of confession to psychiatrist months after confession given police reader admission of the latter nonprejudicial.	

Court of appeals cases involving the Mallory rule—Continued

Defendant	Appeal No.	Criminal case No.	Violation	Status	Problem	Time
Washington-----	13742	955-56	Narcotic laws-----	Affirmed June 26, 1958-----	1. Confession during 20 minutes after arrival at police station. 2. No objection to admission in evidence.	
Porter-----	14305	894-56	Manslaughter-----	-----do-----	1. News of death of assault victim received in court house as defendant awaited arraignment on assault charge. 2. Defendant's release by court to police followed by written statement. 3. Were statements prejudiced or merely a statement of events preceding death.	Arrested 10:30 p.m. Written: 11:15 p.m. Oral report: 9 a.m. Written: 1 p.m.

Mr. BYRD of Virginia. This Warren Court decision in the Mallory case was so bad that at least nine bills on the subject were introduced in the 85th Congress. A bill was passed by both the House and the Senate, and it cleared the conference in the House of Representatives. But it was killed in the Senate by a point of order on the conference report on the last night of the session.

Another bill (S. 3411) is being introduced today, of which I am a cosponsor with Senator ERVIN, of North Carolina, Senator JOHNSTON, of South Carolina, and Senator McCLELLAN, of Arkansas.

APPOINTMENT OF OFFICIAL REPORTERS OF DEBATES

Mr. HAYDEN. Mr. President, I have consulted with the leadership, and it is essential that the resolution which I have in my hand be reported and adopted by the Senate. It relates to the Official Reporters of the Senate. As we know, we have lost Mr. James W. Murphy, and it is his successors we must take care of. I send the resolution to the desk and ask that it be read.

The PRESIDING OFFICER (Mr. Lusk in the chair). The resolution will be read.

The Chief Clerk read the resolution, as follows:

Resolved, That John D. Rhodes and Gregor Macpherson are hereby appointed Official Reporters for reporting the proceedings and debates of the Senate until further order of the Senate, subject to all the duties and obligations of the contract made with D. F. Murphy, deceased, and to the supervision and control of the Senate members of the Joint Committee on Printing on behalf of the Senate in all respects therein provided, and to receive payment for such services according to law: *Provided*, That in the event of the death of either said John D. Rhodes or said Gregor Macpherson, the survivor shall discharge all the duties and obligations imposed upon the Official Reporters appointed by this resolution and shall receive payment for such services according to law until the further order of the Senate.

The PRESIDING OFFICER. Is there objection to the present consideration of the resolution?

There being no objection, the resolution (S. Res. 309) was considered and agreed to.

SUGAR ACT EXTENSION

Mr. BENNETT. Mr. President, on March 16, 1960, I introduced S. 3210, a bill to amend and extend the Sugar Act of 1956. The provisions of this bill represented a program whose elements had

been arrived at through months of discussion between representatives of all elements of the sugar industry and of the departments of Government whose responsibilities it would affect. It was no easy task to develop such a program this year because of the situation in Cuba, our biggest offshore supplier. Because this situation is unstable, it became necessary to include in the proposed bill to extend the act, a new provision giving the President, with his constitutional responsibility to conduct our foreign relations, power to act swiftly if sudden and unexpected events in Cuba imperiled the assurance of our supplies from that country.

When it came to the point of writing specific new language to give the President that power, two basic approaches were considered.

First. To make a simple statement giving the President the power to act, without spelling out the obvious right of Congress to take this power away or amend it if it were exercised while Congress was in session.

Second. To give the President the same right to act when Congress was not in session, but require him to make a specific request for the power when it was.

Both concepts contain the essential element of strengthening our capability to meet any emergency created by Castro, and, therefore, it has seemed to me, there is no vital difference between them.

At the end of the industry-administration discussions, the first approach was selected, and I introduced S. 3210 on that basis. Some of my colleagues, with an equally deep and sincere concern for the problem and its solution, preferred the second, and the senior Senator from Louisiana [Mr. ELLENDER] introduced another bill, S. 3361, expressing the second concept. Both bills are identical in all other respects, and Senator ELLENDER and I have been given the assurance that either would be entirely acceptable to the men who must administer the act and use the powers.

The existence of these two bills has presented me with a personal problem. I think both approaches should now be considered by the Finance Committee and by the Senate, and I also want to make clear to my friends that I realize the importance of bipartisan support for needed Presidential powers, as well as for the other features of the two bills, which are identical. Apparently the only way I can solve this dilemma is to become a sponsor of both bills. On the face of it, this is an unusual and inconsistent posi-

tion to take. But actually it is not, because at all times before S. 3210 was introduced I would have been satisfied with the approach used in the Ellender bill. Therefore, I have asked Senator ELLENDER to request unanimous consent that my name may be added to the list of cosponsors of S. 3361.

O'MAHONEY-ALLOTT WILDERNESS BILL

Mr. BENNETT. Mr. President, on April 20 the senior Senator from Wyoming [Mr. O'MAHONEY] submitted for himself and the senior Senator from Colorado [Mr. ALLOTT] a substitute for S. 1123, the wilderness bill, now pending before the Senate Interior Committee. In my estimation, based upon considerable study, it is the first genuinely forward step taken in Congress to present a viable wilderness bill.

The proposed substitute obviously represents great study and effort on the part of its sponsors, and I wish to commend them for their leadership. It is a refreshingly clean-cut piece of legislative drafting, the clarity and definitiveness of which boldly stand out alongside the original. It is a fitting product of a Senator who once ably presided over the Senate Interior Committee and who is a leading authority on the law [Mr. O'MAHONEY], assisted by a Senator [Mr. ALLOTT] who is a recognized expert on public land and conservation matters.

SUBSTITUTE'S PROVISIONS

The substitute would, for the first time, give congressional approval and support to the wilderness concept. It would immediately give wilderness designation to 5,834,491 acres of national forest lands now classified as wild, wilderness or roadless. It directs the Secretary of Agriculture to review the 8,269,000-acre national forest primitive areas to determine their suitability for wilderness area designation. No such review has ever been made. Similarly, the Secretary of the Interior is directed to review the suitability of units of the National Park System and Wildlife refuges and ranges.

S. 1123, AN END RUN AROUND THE CONSTITUTION

The substitute for S. 1123 provides that new wilderness areas shall be created by act of Congress. This procedure follows the spirit and letter of the Constitution, which imposes upon Congress the responsibility "to dispose of and make all needful rules and regulations respecting the territory or other property belonging to the United States." S. 1123, on the other hand,

86TH CONGRESS
2D SESSION

S. 3361

IN THE SENATE OF THE UNITED STATES

APRIL 25, 1960

Referred to the Committee on Finance and ordered to be printed

AMENDMENTS

Intended to be proposed by Mr. CHURCH to the bill (S. 3361)
to amend and extend the provisions of the Sugar Act of
1948, as amended, viz:

1 On page 2, after line 2, insert the following:

2 “SEC. 2. Section 202 of the Sugar Act of 1948, as
3 amended, is amended by adding at the end thereof the
4 following new subsection:

5 “(f) Notwithstanding the foregoing provisions of this
6 section, effective with the calendar year 1961, no part of any
7 increase in quotas arising from a determination made by the
8 Secretary under section 201 in excess of 9,400,000 short
9 tons, raw value, which would otherwise be prorated under
10 the provisions of subsection (c) (2) (B) shall be appor-

1 tioned to Cuba, and the percentage thereof which would
2 otherwise be apportioned to Cuba shall be apportioned to
3 domestic producers.'

4 "SEC. 3. Section 302 (b) of the Sugar Act of 1948, as
5 amended, is amended to read as follows:

6 " '(b) In determining the proportionate shares with
7 respect to a farm, the Secretary may take into consideration
8 the past production on the farm of sugar beets and sugar-
9 cane marketed (or processed) within the proportionate
10 share for the extraction of sugar or liquid sugar and the
11 ability to produce such sugar beets or sugarcane, and the
12 Secretary shall, insofar as practicable, protect the interests
13 of new producers and small producers and the interests of
14 producers who are cash tenants, share tenants, adherent
15 planters, or sharecroppers and of the producers in any
16 local producing area whose past production has been ad-
17 versely, seriously, and generally affected by drought, storm,
18 flood, freeze, disease, insects, or other similar abnormal and
19 uncontrollable conditions. To the extent that an increased
20 acreage shall be allocated to beet sugar areas by reason of
21 the enactment of the amendment adding section 202 (f)
22 such increased acreage shall be allocated by the Secretary,
23 insofar as practicable, to protect the interests of new pro-
24 ducers and small producers. For the purposes of establish-
25 ing proportionate shares hereunder and in order to

1 encourage wise use of land resources, foster greater diversifi-
2 cation of agricultural production, and promote the conserva-
3 tion of soil and water resources in Puerto Rico, the Secre-
4 tary, on application of any owner of a farm in Puerto Rico, is
5 hereby authorized, whenever he determines it to be in the
6 public interest and to facilitate the sale or rental of land for
7 other productive purposes, to transfer the sugarcane produc-
8 tion record for any parcel or parcels of land in Puerto Rico
9 owned by the applicant to any other parcel or parcels of
10 land owned by such applicant in Puerto Rico.' ”

11 On page 2, line 3, renumber “SEC. 2.” to read “SEC.
12 4.”.

13 On page 6, line 14, renumber “SEC. 3.” to read “SEC.
14 5.”.

15 On page 8, line 3, renumber “SEC. 4.” to read “SEC.
16 6.”.

17 On page 8, line 6, renumber “SEC. 5.” to read “SEC.
18 7.”.

19 On page 8, line 10, renumber “SEC. 6.” to read “SEC.
20 8.”.

AMENDMENTS

Intended to be proposed by Mr. CHURCH to the bill (S. 3361) to amend and extend the provisions of the Sugar Act of 1948, as amended.

APRIL 25, 1960

Referred to the Committee on Finance and ordered to be printed

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Digest of CONGRESSIONAL PROCEEDINGS

OF INTEREST TO THE DEPARTMENT OF AGRICULTURE

OFFICE OF
BUDGET AND FINANCE

(For Department
Staff Only)

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For actions of April 27, 1960
86th-2d, No. 76

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HIGHLIGHTS: House received conference report on Commerce appropriation bill. Rep. Byrnes introduced and discussed bill to extend and expand conservation reserve program. Senate committee voted to report wheat bill. Senate debated mutual security authorization bill. Rep. Johnson, Wis., urged enactment of national milk sanitation bill.

SENATE

1. WHEAT. The Agriculture and Forestry Committee voted to report (but did not actually report) with amendments S. 2759, the Ellender wheat bill. The "Daily Digest" states that as "approved by the committee, the bill would provide 80 percent of price support for wheat for the 1961, 1962, 1963 crops, with 20-percent reduction in acreage allotments, and such acreage to be put to spill- and water-conserving uses, with payments in kind made for such practices." p. D344
2. LAMB IMPORTS. The Agriculture and Forestry Committee "adopted a committee resolution to be directed to the U. S. Tariff Commission, urging action under the "escape clause" of the Reciprocal Trade Agreements Act relative to imports of dressed lamb and mutton." p. D344
3. MUTUAL SECURITY. Began debate on S. 3058, the mutual security authorization bill (pp. 8098-8100, 8117-29). Agreed, 68 to 0, to an amendment by Sen. Williams, Del., to require that expenditures of foreign currencies and appropriated funds under the bill by members of committees and staffs of committees

be itemized and submitted to Congress for publication in the Congressional Record (pp. 8123-9). Pending at adjournment was a proposed amendment by Sen. Douglas, for himself and others, to express the sense of Congress that the United States favors freedom of navigation in international waterways and economic cooperation between nations, and that assistance under the Mutual Security Act and Public Law 480 shall be administered to give effect to these principles (p. 8129).

4. FARM LABOR. Sen. McCarthy expressed concern over the condition of migratory farm workers, stated that they "represent the most neglected and underprivileged group in American society," and inserted a newspaper article which he stated presented "a realistic summary of their problems and suggested some of the measures needed to improve their condition." pp. 8106-7
Sen. Moss inserted a magazine article stating that the current trend is for big industry to move to small towns, and stating that "in some rural areas, new industries are giving employment to people who used to make their living from farming." pp. 8076-7
5. FEDERAL SUBSIDIES. Sen. Murray inserted a newspaper editorial, "Who Gets Government Subsidies?", and stated that the editorial "points out in a clear, succinct manner how we are all sharing in Government subsidies daily and that the matter of Government subsidies -- contrary to a popular belief -- is not limited to the farmers of the Nation." pp. 8080-1
6. SOIL CONSERVATION. Sens. Ellender, Cooper, Murray, Young, N. Dak., and Humphrey paid tribute to the Soil Conservation Service on its 25th anniversary "for the admirable job it has done during the first quarter-century of its existence." pp. 8087-90
7. APPROPRIATIONS; ITEM VETO. Sen. Williams, Del., inserted and commended an article by Sen. Keating urging the enactment of legislation to give the President authority to veto specific items in appropriation bills. pp. 8129-30
8. SURPLUS COMMODITIES; FOREIGN AID. Received from this Department a proposed bill to amend Public Law 480 so as to permit grants of surplus food to foreign countries for the establishment of national food reserves, to authorize greater use of commodities for foreign economic development purposes, to permit payment of general average claims arising from the ocean transport of commodities for famine relief and other emergency assistance, and to provide for the transfer of foreign currencies to the International Development Association; to Agriculture and Forestry Committee. p. 8061
9. PERSONNEL. The Post Office and Civil Service Committee reported with amendment H. R. 8289, to accelerate the commencing date of civil service retirement annuities for certain employees (S. Rept. 1295). p. 8062
Received from the Civil Service Commission a proposed bill "to provide for the payment of travel and transportation costs for persons selected for appointment to certain positions in the United States"; to Government Operations Committee. p. 8062
10. SMALL BUSINESS. Sen. Williams, N. J., submitted a report of the Small Business Committee, "Small Business Investment Act - 1960" (S. Rept. 1293). p. 8062
11. SUGAR. Sen. Goldwater submitted an amendment he intends to propose to S. 3210, to extend the Sugar Act of 1948. p. 8065

S. 3210

IN THE SENATE OF THE UNITED STATES

APRIL 27, 1960

Referred to the Committee on Finance and ordered to be printed

AMENDMENT

Intended to be proposed by Mr. GOLDWATER to the bill (S. 3210) to amend and extend the provisions of the Sugar Act of 1948, as amended, viz: At the proper place insert the following:

1 SEC. . The first sentence of section 302 (b) of such
2 Act is amended by inserting before the period at the end
3 thereof a colon and the following: "*Provided*, That for the
4 calendar years 1961 and 1962 not to exceed 1 per centum
5 of the sugar beet acreage with respect to which proportionate
6 shares are established as required by subsection (a) shall
7 be reserved for establishing proportionate shares for farms
8 suitable for the production of sugar beets in States which in
9 the calendar year 1960 have no recent history in sugar beet
10 production."

AMENDMENT

Intended to be proposed by Mr. Goldwater to the bill (S. 3210) to amend and extend the provisions of the Sugar Act of 1948, as amended.

APRIL 27, 1960

Referred to the Committee on Finance and ordered to be printed

86TH CONGRESS
2D SESSION

S. 3508

IN THE SENATE OF THE UNITED STATES

MAY 9, 1960

Mr. SMATHERS introduced the following bill; which was read twice and referred
to the Committee on Finance

A BILL

To amend and extend the provisions of the Sugar Act of 1948,
as amended.

1 *Be it enacted by the Senate and House of Representa-*
2 *tives of the United States of America in Congress assembled,*
3 That section 202 of the Sugar Act of 1948, as amended, is
4 amended to read as follows:

5 “SEC. 202. Whenever a determination is made, pur-
6 suant to section 201, of the amount of sugar needed to meet
7 the requirements of consumers, the Secretary shall establish
8 quotas, or revise existing quotas—

9 “(a) (1) For domestic sugar producing areas, by
10 apportioning among such areas five million two hun-

1 dred twenty-one thousand five hundred short tons, raw
2 value, as follows:

Area	Short tons, raw value
Domestic beet sugar-----	2, 193, 480
Mainland cane sugar-----	678, 799
Hawaii-----	1, 140, 462
Puerto Rico-----	1, 192, 498
Virgin Islands-----	16, 261

3 “(2) To the above total of five million two hundred
4 twenty-one thousand five hundred short tons, raw value,
5 there shall be added an amount equal to 55 per centum
6 of the amount by which the Secretary’s determination
7 of requirements of consumers in the continental United
8 States for the calendar year exceeds nine million four
9 hundred thousand short tons, raw value. Such addi-
10 tional amount shall be apportioned among and added to
11 the quota established under paragraph (1) of this sub-
12 section for such domestic sugar-producing areas, re-
13 spectively, as follows:

Area	Per centum
Domestic beet sugar-----	22. 382
Mainland cane sugar-----	6. 887
Hawaii-----	12. 492
Puerto Rico-----	13. 061
Virgin Islands-----	. 178

14 “(3) To the above total of five million two hundred
15 twenty-one thousand five hundred short tons, raw value,
16 there shall be added an amount equal to 10 per centum
17 of the amount by which the Secretary’s determination of
18 requirements of consumers in the continental United

States for the calendar year exceeds nine million four hundred thousand short tons, raw value, such additional amount to be allotted to new domestic beet and mainland cane acreage, not utilized for the production of sugar on the date of enactment of the Sugar Act Amendments of 1960, in such proportion as the Secretary may determine.

“(b) (1) For foreign sugar-producing areas, by apportioning among such areas four million one hundred seventy-eight thousand five hundred short tons, raw value, as follows:

Country	Short tons, raw value
Brazil.....	23, 100
Colombia.....	12, 773
Costa Rica.....	7, 077
Cuba.....	2, 808, 960
Dominican Republic.....	73, 780
El Salvador.....	2, 446
Ecuador.....	2, 446
Guatemala.....	4, 077
Haiti.....	9, 712
Mexico.....	88, 441
Netherlands.....	3, 731
Nicaragua.....	16, 698
Panama.....	8, 979
Peru.....	106, 046
Philippines.....	998, 480
Taiwan.....	10, 338
Canada.....	631
United Kingdom.....	516
Belgium.....	182
British Guiana.....	84
Hong Kong.....	3

Provided, however, That whenever the President finds and proclaims that it is necessary, in the national interest or to insure adequate supplies of sugar, the President

1 may reduce the quota of Cuba for any calendar year
 2 and prorate for said calendar year a quantity of sugar
 3 equal to 65 per centum of said reduction among domestic
 4 areas on the same basis as set forth in subsections (a)
 5 (2) and (a) (3) of this section and among foreign sup-
 6 pliers of sugar a quantity of raw sugar equal to 35 per
 7 centum of said reduction on the same basis as set forth
 8 in subsection (b) (2) of this section.

9 “(2) To the above total of four million one hundred
 10 seventy-eight thousand five hundred short tons, raw
 11 value, there shall be added an amount equal to 35 per
 12 centum of the amount by which the Secretary’s deter-
 13 mination of requirements of consumers in the conti-
 14 nental United States for the calendar year exceeds nine
 15 million four hundred thousand short tons, raw value.
 16 Such additional amount shall be apportioned among and
 17 added to the quotas for foreign sugar-producing areas as
 18 follows:

Country	Per centum
Brazil.....	2. 975
Colombia.....	1. 645
Costa Rica.....	. 525
Dominican Republic.....	5. 705
Ecuador.....	. 315
El Salvador.....	. 315
Guatemala.....	. 525
Haiti.....	. 630
Mexico.....	9. 940
Nicaragua.....	1. 120
Panama.....	. 770
Peru.....	7. 210
Philippines.....	2. 380
Taiwan.....	. 945

1 “(c) Notwithstanding the other provisions of this
2 title II, the minimum quota established for Cuba shall
3 not be less than the following:

4 “(1) 28.6 per centum of the amount of sugar
5 determined under section 201 when such amount
6 is seven million four hundred thousand short tons or
7 less; and

8 “(2) two million one hundred and sixteen thou-
9 sand short tons, when the amount of sugar deter-
10 mined under section 201 is more than seven million
11 four hundred thousand short tons.

12 The quotas for domestic sugar-producing areas, estab-
13 lished pursuant to the other provisions of this title II,
14 shall be reduced pro rata by such amounts as may be
15 required to establish such minimum quota for Cuba.

16 “(d) Whenever in any year any foreign country
17 with a quota or proration thereof of more than ten
18 thousand short tons fails to fill such quota or proration
19 by more than 10 per centum and at any time during
20 such year the world price of sugar exceeds the domestic
21 price, the quota or proration thereof for such country
22 for subsequent years shall be reduced by an amount equal
23 to the amount by which such country failed to fill its
24 quota or proration thereof, unless the Secretary finds

1 that such failure was due to crop disaster or force
2 majeure or finds that such reduction would be contrary
3 to the objectives of this Act. Any reduction hereunder
4 shall be prorated in the same manner as deficits are
5 prorated under section 204.”

6 SEC. 2. (a) Section 204 (a) of such Act is amended to
7 read as follows:

8 “(a) The Secretary shall from time to time determine
9 whether, in view of the current inventories of sugar, the esti-
10 mated production from the acreage of sugar cane or sugar
11 beets planted, the normal marketings within a calendar year
12 of new-crop sugar, and other pertinent factors, any area
13 or country may be unable to market the quota or proration
14 thereof for such area or country. If the Secretary finds that
15 any area or country may be unable to market the quota or
16 proration thereof for such area or country, he shall prorate
17 an amount equal to the deficit so determined to other areas
18 and countries as provided in the following paragraphs (1)
19 through (8), and, except as provided in subsection (b) of
20 this section, he shall revise accordingly the quotas and pro-
21 rations of quotas affected by such proration of a deficit.

22 “(1) Any deficit in the quota for the domestic beet
23 sugar area shall be prorated to the other domestic areas

1 on the basis of the quotas then in effect: *Provided*, That
2 if any such area is unable to fill its proration the unfilled
3 balance of such proration shall be added to the deficit
4 prorated to the other such areas.

5 “(2) Any deficit in the quota for the mainland cane
6 sugar area shall be prorated to Hawaii, Puerto Rico,
7 and the Virgin Islands on the basis of the quotas then
8 in effect: *Provided*, That if any such area is unable to
9 fill its proration the unfilled balance of such proration
10 shall be added to the deficit prorated to the other such
11 areas.

12 “(3) Any deficit in the quota for Hawaii shall be
13 prorated to the domestic beet sugar area and the main-
14 land cane sugar area on the basis of the quotas then in
15 effect: *Provided*, That if one such area is unable to
16 fill its proration, the unfilled balance of such proration
17 shall first be added to the deficit prorated to the other
18 such area: *And provided further*, That if both such
19 domestic areas are unable to fill such deficit then the
20 unfilled balance thereof shall be prorated to Puerto Rico
21 and the Virgin Islands on the basis of the quotas then
22 in effect.

23 “(4) Any deficit in the quota for Puerto Rico or

1 the Virgin Islands shall be prorated to foreign sugar-
 2 producing areas on the following basis:

Country	Per centum
Brazil-----	8.5
Colombia-----	4.7
Costa Rica-----	1.5
Dominican Republic-----	16.3
Ecuador-----	.9
El Salvador-----	.9
Guatemala-----	1.5
Haiti-----	1.8
Mexico-----	28.4
Nicaragua-----	3.2
Panama-----	2.2
Peru-----	20.6
Philippines-----	6.8
Taiwan-----	2.7

3 *Provided*, That if any of these countries is unable to fill
 4 its proration of deficit the unfilled balance of such pro-
 5 ration shall be added to the deficit prorations made to
 6 the others in the same relative proportions as provided
 7 in this paragraph: *And provided further*, That if any
 8 of these countries in any calendar year is not under
 9 the provisions of this Act otherwise entitled to enter
 10 into the United States sugar market at least five thou-
 11 sand (5,000) short tons, raw value, then any such
 12 country shall nevertheless be permitted to enter an
 13 amount of raw sugar equivalent to the difference be-
 14 tween its entitlement under this Act and five thousand
 15 (5,000) tons.

16 “(5) Whenever the Secretary finds that the appli-
 17 cation of the provisions of paragraph (1) through (4)

1 of this subsection may result in an unfilled proration of
2 a deficit in the quota for any domestic area, he shall add
3 such unfilled balance of such deficit to the quotas for
4 foreign suppliers of sugar in accordance with the per
5 centum proration prescribed in paragraph (4) of this
6 subsection.

7 “(6) Any deficit in the quota for Cuba or the Republic
8 of the Philippines shall be prorated to all other suppliers of
9 sugar, foreign and domestic, on the basis of the quotas es-
10 tablished pursuant to section 202: *Provided*, That if any
11 such area is unable to fill its proration of deficit the unfilled
12 balance of such proration shall be prorated to the other areas
13 to the extent that they may be able to fill such deficit on
14 the basis of the quota prorations then in effect for such areas.

15 “(7) Any deficit in any proration of a quota to a foreign
16 country other than Cuba and the Republic of the Philippines
17 shall be prorated among the other such foreign countries for
18 which prorations of a quota of more than one thousand
19 (1,000) short tons, raw value, have been established under
20 subsection 202 (b) (1), on the basis of the quota prorations
21 to such countries then in effect: *Provided*, That the unfilled
22 balance of any deficit prorated to any such country shall
23 first be prorated to the other such countries having prora-
24 tions of more than one thousand (1,000) short tons, raw

1 value, under subsection 202 (b) (1) to the extent that they
2 may be able to fill such deficit.

3 “(8) Whenever the Secretary finds that the applica-
4 tion of the provisions of paragraph (1) through (7) of this
5 subsection may result in an unfilled portion of a deficit in
6 the quota for any area or in the proration of a quota for any
7 foreign country, he may apportion such unfilled portion of
8 a deficit on such basis and to such areas or countries (whether
9 or not such areas or countries have been assigned quotas
10 under section 202) as he determines is necessary to fill such
11 deficit.”

12 (b) Subsection (b) of section 204 of such Act is re-
13 designated as subsection “(c)” of section 204 and such
14 subsection is deleted effective as of January 1, 1961; sub-
15 section (c) of section 204 of such Act is redesignated
16 subsection “(b)” and is amended to read as follows:

17 “(b) The quotas for any area as established under
18 the provisions of section 202 shall not be reduced by reason
19 of any determination of a deficit existing in any calendar
20 year under the provisions of this section, except as provided
21 in subsections 202 (b) (1) and (d).”

22 SEC. 3. Section 207 (e) is amended by striking out
23 “three hundred and seventy-five thousand” and substituting
24 in lieu thereof “seventy-five thousand”.

25 SEC. 4. Subsections 4501 (c) and 6412 (d) of the In-

1 ternal Revenue Code of 1954 are amended by striking out
2 "1961" in each place it appears therein and inserting in
3 lieu thereof "1965".

4 SEC. 5. Section 412 of the Sugar Act of 1948, as
5 amended, is amended by striking out "1960" in each place
6 it appears therein and inserting in lieu thereof "1964".

7 SEC. 6. The amendments made hereby to the Sugar
8 Act of 1948, as amended, and to the Internal Revenue
9 Code of 1954 shall become effective as of January 1, 1961,
10 except that subsection 202 (d) and the proviso contained
11 in subsection 202 (b) (1) hereof shall become effective upon
12 the date of the enactment of this Act.

13 SEC. 7. This Act may be cited as the Sugar Act
14 Amendments of 1960.

A BILL

To amend and extend the provisions of the
Sugar Act of 1948, as amended.

By Mr. SMATHERS

MAY 9, 1960

Read twice and referred to the Committee on Finance

Mr. President, I commend this editorial to the attention of Senators, because I cannot help thinking that it points out with great clarity and persuasion the double standard we have developed in this country, unfortunately, in our estimation of dictators.

There being no objection, the editorial was ordered to be printed in the RECORD, as follows:

[From the Evening Star, Friday, Apr. 29, 1960]

**SOME THOUGHTS ON BEHALF OF RHEE—PAST
HEROISM OF KOREAN AGAINST REDS PROMPTS
A RESERVATION ON HIS DEMISE**

(By William S. White)

The old man of Korea has gone out of office in heartbroken disgrace. The world's most exclusive club is shrunken yet a little more as Syngman Rhee passes from its membership. This is the Association of Indestructible Elder Statesmen.

Chancellor Konrad Adenauer of Germany, who is 84, leads the surviving band of those who, past 70, still carry crushing responsibilities. With him are Prime Minister Ben-Gurion of Israel (74) and Prime Minister Nehru of India (70 plus some months).

At 85, Mr. Rhee has ceased to be President of the Republic of Korea. And so has come to its close a career of 65 years as a public man.

Much has been written that this aged symbol of Korea's long struggle for independence had overstayed his time. It is said, no doubt rightly, that he permitted police brutality, and worse, to stain his regime. It is said, no doubt justly, that a farce of "democracy" was being made in his country. So it is said that he had to go, and the United States was wholly justified in helping to push him out.

There is no quarrel with this reasoning—so far as it goes. To the world Korea is our creation and thus our responsibility. For Korea's sake (and for the sake of collective security everywhere) was shed the blood of so many of our people in a bitter war a decade ago.

Perhaps it is possible, however, without defending corruption and antidemocratism, to raise reservations about this episode. Is the U.S. Government as ready to act to maintain the future integrity of Korea from Communist penetration as it was ready to oust bad old Mr. Rhee?

Is our righteous decision to overturn one regime—which was at any rate a determined regime—matched by equal determination to insist on a fair and strong successor regime? And having acted against Rhee on standards that are valid enough—that he had become a rightwing despot—are we ready for one other action?

Are we ready to apply these same standards to the leftwing despot in another country in which there is an undeniably close and historic U.S. responsibility? Will we now help to oust the Communist-backed dictator in Cuba, Fidel Castro, as we helped to oust the supposedly pro-Fascist dictator in Korea, Syngman Rhee?

Or is there a double standard here? The Eisenhower administration has no difficulty in justifying a naked intervention in Korea, call it what we will. But that administration finds enormous difficulty in even thinking about intervening in any way, naked or polite, in Cuba. After all, other Latin American nations might not like it. And the Organization of American States would "forbid" it anyhow.

A nation which wants to act can find the fine print oddly hard to read. A nation which does not want to act can find the print compelling, indeed.

So this one columnist is not quite able to join the almost universal and unqualified

satisfaction that we have succeeded in casting out old Syngman Rhee in his 86th year and sending him off to end his life in the House of the Pear Blossoms in Seoul. It has been a famous victory. But one columnist, not denying the evils connected with the old man, also does not forget the past heroism of that old man against imperialist communism.

This much, anyhow, history must grant him. How much does history owe to Castro whose victims in Cuba are quite as dead as Rhee's victims in Korea? How much of the free world's struggle against imperialist communism has Fidel Castro ever borne?

**MODERNIZATION OF THE EXIST-
ING SUGAR ACT**

Mr. SMATHERS. Mr. President, I am introducing at this time for appropriate reference a bill to amend and extend the Sugar Act of 1948. The proposal incorporates some reforms in the current sugar legislation which are long overdue, and which are particularly urgently required in the light of present day conditions.

The proposed legislation would insure adequate supplies of sugar by broadening the base from which these supplies are obtained and encourage foreign countries to make purchases in the United States by adopting a new formula for allocating sugar quotas which takes into account their foreign trade relationships with the United States. It is a 4-year proposal.

For many years, our sugar legislation has given a virtual monopoly of the foreign share of the U.S. sugar market to one country. This, in itself, represents a basic weakness in the present sugar law since it is conducive to monopolistic manipulation of prices and to predatory competition on the world market.

A wholly disproportionate share of the U.S. quota in the hands of a single country, and I refer of course to Cuba, has enabled that country to use the premium paid by U.S. consumers to subsidize sales to Russia and to Red China and other Iron Curtain countries at prices beneath the world market price; in fact, at prices beneath the cost of production in Cuba.

In my opinion, the Congress simply must face up to the fact that the time has come to reduce the Cuban monopoly of our foreign sugar supply. I believe I have been rather candid in my criticism of the present regime in Cuba. What I say with respect to proposed changes in the Sugar Act, however, would be true regardless of who happened to be in power there. This particular statement is not intended at this time in criticism of the present Government of Cuba.

The proposed legislation would effectuate certain much needed reforms. It is not politically motivated and it is not a measure against Cuba, as I said, although I am in my mind not certain that some measures should not be taken to protect the interests of the U.S. investors in the Republic of Cuba.

The New York Times of March 5, 1960, reported a speech by Maj. Ernesto Guevara, president of the National Bank of Cuba, made at Havana University, in which Major Guevara stated that the premium paid by the United States for

Cuban sugar amounted to "economic enslavement." According to the New York Times:

Major Guevara charged that the United States "gave us an apparent gift" of a higher price, but demanded in exchange "preferred tariffs for their manufactured products, making it impossible for native products or the manufacturers of other countries to compete."

This statement was made in face of the fact that in addition to the premium price which Cuba receives for sugar, of 5½ cents a pound, when the world price is nearly 3 cents a pound, Cuba enjoys a 20 percent tariff preference on sugar imports to the United States.

The United Press International reported from Havana on March 20, 1960, that the same Major Guevara had stated:

The great friend of Cuba is the U.S.S.R.

I could multiply many times the hostile and inflammatory statements against the United States made by leaders of the present Cuban regime. This is not my purpose, however. The bill which I have introduced is in no sense a reprisal against Cuba. It is a very conservative bill. It is an attempt to correct certain basic deficiencies in existing law in a way which will make the law work better while at the same time recognizing the equities of our own domestic industry and of friendly foreign nations.

In brief, the proposal would make the following changes in the existing sugar law.

It would restrict Cuba's quota to the basic quota established for Cuba under the 1956 act. The incremental quotas accruing to Cuba by virtue of the growth of the U.S. market since 1956, some 310,695 tons, would be distributed among domestic U.S. suppliers and friendly foreign suppliers.

Of this amount my bill would distribute 200,000 tons to the domestic producing areas, of which 150,000 tons would go to the beet-producing areas and 50,000 tons to the mainland cane-producing areas. This is the same allocation to the domestic areas as made in the bills introduced by my distinguished colleagues, the senior Senator from Utah [Mr. BENNETT] and the Senator from Louisiana [Mr. ELLENDER].

The remaining 110,695 tons would be distributed among other foreign suppliers including new countries seeking to enter the U.S. market for the first time, on the basis of an index which takes into account their average annual purchases from the United States as well as their existing statutory quotas, if any, in the U.S. market. I think it is extremely important to establish in the Sugar Act a trade principle as a basis for administering the distribution of foreign sugar quotas. I certainly believe in a policy of buying from the people who buy from us insofar as it is economically feasible to do so.

At the same time this criterion, as employed in the bill is tempered by taking into account to an equal degree the existing statutory quotas enjoyed by foreign sugar suppliers, so that adjustments are not made entirely on the basis of trade; although I would like to point out that it is my hope that eventually

we can arrive at a formula by which the sugar quotas granted to foreign suppliers will be based entirely on the basis of the relationship which the amount of purchases which each country seeking a sugar quota has made in the United States bears to all the purchases made by countries seeking sugar quotas.

The underlying formula of the proposed legislation represents a weighted average of the statutory sugar quotas and trade with the United States as a reasonable and rational means of distributing quotas among friendly foreign nations.

It should be noted that after this distribution is made Cuba is still left with the lion's share of foreign participation in the U.S. market. It would still enjoy a quota of more than 2,800,000 tons which is almost three times the quota of the next largest foreign sugar supplier, the Republic of the Philippines, and almost five times the quotas of all of the full-duty countries combined.

When it is realized that a quota of 2,800,000 tons represents a premium to Cuba over average world market prices in the amount of approximately \$140 million per annum, it is clear that the proposed legislation is not a reprisal against Cuba. The second basic change which would be made by the proposed bill would be to remove from Cuba its present share in the future growth of the U.S. market.

The Cuban share of the growth in the U.S. sugar market presently amounts to approximately 30 percent. The bill would distribute one-third of that growth to new areas in the continental United States for the production of domestic sugar beet or mainland cane.

There are many areas in the United States in such States as Washington and Idaho, and other Western States which are ideally situated for the growing of sugar beets and there is no reason why these areas should be foreclosed from our domestic markets. At the same time in the State of Louisiana and my own State of Florida there are persons who are ready, willing, and able to produce additional mainland cane if afforded the opportunity. The bill would afford that opportunity.

The proposed legislation would set aside 10 percent of Cuba's present share of the U.S. market growth for distribution among the producers of sugar in the various States throughout the Union.

On the basis of the annual growth experience over the past several years this would provide quotas of 15,000 tons per annum for distribution by the Secretary of Agriculture to new and additional acreage in the manner I have just indicated.

Such new areas would be given quotas equivalent to 60,000 tons in the fourth year of operation of this legislation. Cumulatively over the entire operation of the bill, it would enable such areas to sell in the U.S. market a total of 150,000 tons. I submit that this is a very significant contribution to the development of new domestic sugar industry.

The remaining portion of Cuba's share of the growth would be distributed among other foreign suppliers including not only present suppliers but also new countries seeking to enter the U.S. market for the first time. This distribution also would be made on the basis of an index derived from average annual purchases from the United States over the past 4 years and existing statutory quotas. For the first time, it would also give the Republic of the Philippines a share in the growth of the U.S. market. The new countries included for a share in U.S. market growth by virtue of this reform would include Brazil, Colombia, El Salvador, Ecuador, and Guatemala.

None of those countries has any quota in the U.S. market at present. Also, the Philippines, by virtue of the growth factor, would be given an additional quota.

The third basic change would be to give the President power to further reduce the quota of Cuba in any calendar year when he finds and proclaims that such action is necessary in the public interest or to insure an adequate supply of sugar. Any reduction so made would be effective only for the calendar year in which the President made such a finding, and would not change permanent quotas. The replacement purchases would be distributed 65 percent to domestic sugar-producing areas and 35 percent to foreign sugar-producing areas.

The fourth major change is a reform of the deficit allocation provisions.

The bill allots to the domestic beet sugar areas and the mainland cane sugar areas any deficits derived from Hawaii. This is the same as provided in the proposals introduced by Senators BENNETT and ELLENDER.

It allots to all foreign suppliers except Cuba deficits derived from Puerto Rico and the Virgin Islands.

The deficit allocations to the foreign countries again take in new suppliers and are again based on an index of the 4-year purchases of all of these suppliers from the United States and their existing quotas. Moreover, the proposal would insure that each of these new suppliers is permitted to make sugar sales in the United States of at least 5,000 tons annually.

Finally the bill would reduce the amount of direct consumption sugar which may be imported from Cuba from 375,000 tons to 75,000 tons. While this provision will have no effect upon the amount of sugar Cuba can otherwise sell in the U.S. market, it will insure that at least 300,000 tons of additional sugar imported into the United States come in in raw form and be refined in the United States by U.S. refineries.

I have heard it said that any measures which would tend to diminish the Cuban share of the market, even conservatively, might lead to a sugar shortage in the United States. Nothing could be further from the truth. The fact is that as of the beginning of this year there was in this hemisphere alone, available for export, at least 4 million tons of sugar, not considering Cuba, and this quantity is rising rapidly.

The following is a recapitulation of the export capacity of these Western Hemisphere countries and the Philippines at the beginning of the present harvest season:

Sugar available for export, 1960

[Thousand short tons, raw value]

Country:	
Argentina.....	368
Brazil.....	1, 227
Costa Rica.....	5
Dominican Republic.....	930
Guatemala.....	5
Haiti.....	58
Mexico.....	589
Nicaragua.....	5
Panama.....	5
Peru.....	638
Philippines.....	282
Total.....	4, 112

These figures were compiled from the Statistical Bulletin of the International Sugar Council and the U.S. Department of Agriculture publication entitled "Foreign Crops and Markets," dated February 25, 1960.

The proposal is a relatively conservative bill. It reduces Cuba's share of the U.S. market by less than 10 percent. Yet it embraces much needed reform in existing law to cope with present-day conditions.

If the changes suggested in the proposed legislation are not adopted and the present law is extended, as has been proposed, then Cuba in a single year would benefit by additions to quotas of approximately 195,000 tons or in pecuniary terms, would be given an additional subsidy of \$9,750,000 in the first year of the extension.

That, of course, is in addition to the roughly \$387 million a year which Cuba gets from us by the sale of some 3,100,000 tons as her regular quota in the domestic market. Assuming a 4-year extension of the present act and a continuation of present deficits, these additions to Cuban sales would amount to approximately 1 million tons, or an additional monetary premium or subsidy in the amount of approximately \$50 million.

Under existing law, unless corrective measures are taken, the Secretary of Agriculture will be forced to allot to Cuba this summer an addition to its regular quota in an amount of about 150,000 tons as a result of deficits in Puerto Rican production.

I suggest that it would be intolerable for us to continue along this path, especially in view of current circumstances in Cuba. It is a path which is not only manifestly unfair to U.S. interest, but is also unfair to other friendly foreign suppliers as well.

The measure that I have proposed would result in a more equitable division of the foreign share of our sugar supply among many friendly foreign countries and still leave Cuba with about 30 percent of the total U.S. market.

Assuming that deficits continue to run at approximately the same average annual figure as in 1959, and the growth of U.S. consumption continues to rise at an average of 150,000 tons per annum,

the proposed bill would result in the following tonnages for the year 1961:

Domestic areas:	
Domestic beet.....	2,349,243
Mainland cane.....	726,940
Hawaii.....	999,199
Puerto Rico.....	987,090
Virgin Islands.....	16,528
New areas.....	15,000

Total..... 5,094,000

Cuba.....	2,808,960
Philippines.....	1,017,360

Total..... 3,826,310

With respect to Cuba and the Philippines, Cuba does not pay full duty, and the United States has a separate and special treaty with the Philippines.

Full-duty countries:

Brazil.....	46,688
Colombia.....	25,816
Costa Rica.....	11,239
Dominican Republic.....	119,013
Ecuador.....	4,943
El Salvador.....	4,943
Guatemala.....	8,231
Haiti.....	14,707
Mexico.....	167,251
Nicaragua.....	25,578
Panama.....	15,084
Peru.....	163,211
Taiwan.....	17,831
Other countries.....	5,417

Total..... 629,690

Grand total..... 9,550,000

Brazil certainly deserves a quota. Brazil has been and continues to be our friend. Brazil never before has been privileged to sell sugar in the United States on a quota basis. She would be provided, in the proposed legislation, with a quota of 46,688 tons.

Colombia would be granted a quota for the first time.

Neither Ecuador nor El Salvador has had a quota previously. Heretofore Guatemala has not had a quota.

Haiti's quota heretofore has been below 7,000 tons.

Mexico would receive a sizable increase. Mexico carries on a large trade with the United States. She is almost our principal customer in the world. So, based on her trade with the United States, Mexico would be entitled to a sizable sugar market in the United States.

This distribution would represent significant increases for friendly foreign sugar suppliers. For example, purchases from Haiti would increase from 7,000 tons in 1960 to 14,700 tons in 1961; Peru from 95,500 tons to 163,200 tons; Mexico from 65,000 tons to 167,200 tons; Taiwan from 3,600 tons to 17,800 tons; and the Philippines from 980,000 to 1,017,400 tons.

In addition, countries not presently sharing at all in the market would be enabled to make initial sales in our market estimated as follows:

Brazil.....	46,700
Colombia.....	25,800
Ecuador.....	5,000
El Salvador.....	5,000
Guatemala.....	8,200

Assuming the continuation of the current rate of deficits and of growth in the U.S. market, these areas would enjoy sales in the United States, during the first year of the bill, amounting to 90,629 tons. Based on the same assumptions, their sales in the fourth year would be 116,624 tons, and cumulatively over the 4-year period would amount to 414,506 tons. I know, from my recent visit to Latin America, this assistance would be of great value to these countries, and would make many friends for the United States, in the Central American area and in the South American area.

In conclusion Mr. President, let me reemphasize what the proposed bill would accomplish.

First. It would grant the President power, if needed, to deal with special emergency situations which might be brought about as a result of the present unsettled situation in Cuba. Obviously the motivation behind that request by the President was the conditions which have developed in Cuba. The bill would give the President the right to deal with Cuba in any way he wanted, other than to increase Cuba's quota above 2,800,000 tons. But the bill would give to the President, when he thought it was in the public interest, the right to reduce Cuba's quota to any point he thought advisable, or, if necessary, even to eliminate it completely.

Second. It would extend to domestic producers of sugar more adequate relief and assistance than is provided for under existing law or in the proposals as introduced by my distinguished colleagues, the senior Senator from Utah [Mr. BENNETT] and the senior Senator from Louisiana [Mr. ELLENDER]. The proposal would make provision for the addition of new domestic beet and mainland cane acreage, by allotting one-third of the present Cuban share in U.S. growth for this purpose. This would provide an additional 60,000 tons of quota for such domestic areas in the fourth year of the bill's operation; and cumulatively, over the life of the bill, 150,000 tons for such new areas of sugar production. It would also allot to domestic sugar-producing areas 65 percent of any reduction the President may find it necessary to make in the present Cuban quota. Under the Ellender and Bennett proposals, all of this reduction would go to the benefit of foreign suppliers.

Third. It would make a modest reduction in Cuba's present U.S. quota, amounting to less than 10 percent of its present sales to the United States, while preserving to Cuba approximately 30 percent of the U.S. sugar market.

I may add that this is in keeping with the general philosophy of the so-called GATT conference—the General Agreement on Trade and Tariffs—to which we and most of the other countries of the world belong, whereby it was agreed, in all those conferences, that any one country can reduce by 10 percent the permissive quota it allows other countries, and may do so without nego-

tiating a new treaty with such country. This may be done with respect to Cuba, thereby staying within the 10-percent principle.

Fourth. It would increase the share in our sugar market of many friendly foreign countries, and would permit entry into that market of five new suppliers which need the assistance that this trade would provide.

Fifth. It would decrease the amount of direct consumption sugar entering our market, thereby increasing the amount to be refined in the United States by U.S. refineries.

Mr. President, it is my sincere opinion that the bill represents a vast improvement over existing law and pending sugar legislation, and would bring about reforms which experience under present law has shown to be urgently required. It would also serve to cement friendly relations with a great number of foreign countries which need, and would appreciate, the trade which this bill would afford.

It is a reasonable proposal, a modest and conservative proposal, and a proposal which is in the national interest of the United States.

I sincerely trust that the Finance Committee and the Senate will act promptly and favorably on it.

Mr. President, I yield the floor.

The PRESIDING OFFICER (Mr. CANNON in the chair). The bill will be received and appropriately referred.

The bill (S. 3508) to amend and extend the provisions of the Sugar Act of 1948, as amended, introduced by Mr. SMATHERS, was received, read twice by its title, and referred to the Committee on Finance.

ENROLLED BILLS PRESENTED

The Secretary of the Senate reported that on today, May 9, 1960, he presented to the President of the United States the following enrolled bills:

S. 722. An act to establish an effective program to alleviate conditions of substantial and persistent unemployment in certain economically depressed areas; and

S. 1062. An act to amend the Federal Deposit Insurance Act to require Federal approval for mergers and consolidation of insured banks.

ADJOURNMENT

Mr. SMATHERS. Mr. President, I move that the Senate stand in adjournment until 12 o'clock noon tomorrow.

The motion was agreed to; and (at 2 o'clock and 26 minutes p.m.) the Senate adjourned until tomorrow, Tuesday, May 10, 1960, at 12 o'clock meridian.

NOMINATION

Executive nomination received by the Senate May 9, 1960:

ASSISTANT ATTORNEY GENERAL

Robert A. Bicks, of New York, to be Assistant Attorney General, vice Victor R. Hansen, resigned.

House of Representatives

MONDAY, MAY 9, 1960

The House met at 12 o'clock noon.

The Chaplain, Rev. Bernard Braskamp, D.D., offered the following prayer:

Revelation 3: 20: Behold, I stand at the door and knock; if any man hears my voice and opens the door, I will come in, and sup with him and he with Me.

Almighty God, who art the source and inspiration of the true, the beautiful, and the good, in the plans and labors of this new week, may we be receptive and responsive to the voice and leading of Thy divine spirit, seeking to bless us with a happy, a useful, and more abundant life.

We are bringing unto Thee our fears and our foreboding thoughts about these days in which we are living and our apprehensions for humanity, earnestly beseeching Thee that we may appropriate by faith those resources of spiritual power and poise which will enable us to remain strong and courageous.

Grant that the demons of hatred and ill will, which have assailed and invaded the life of the nations and torn apart their unity, may be driven out and the heart of mankind may be opened to give lodgment to the blessed spirit of the Prince of Peace.

Hear us in His name. Amen.

THE JOURNAL

The Journal of the proceedings of Friday, May 6, 1960, was read and approved.

MESSAGE FROM THE PRESIDENT

A message in writing from the President of the United States was communicated to the House by Mr. Ratchford, one of his secretaries, who also informed the House that on May 6, 1960, the President approved and signed a bill of the House of the following title:

On May 6, 1960:

H.R. 8601. An act to enforce constitutional rights, and for other purposes.

MESSAGE FROM THE SENATE

A message from the Senate by Mr. Carrell, one of its clerks, announced that the Senate had passed a bill of the following title, in which the concurrence of the House is requested:

S. 3019. An act to provide for certain pilotage requirements in the navigation of U.S. waters of the Great Lakes, and for other purposes.

The message also announced that the Senate had passed, with amendments in which the concurrence of the House is requested, a bill of the House of the following title:

H.R. 4049. An act to amend the Federal Aviation Act of 1958 in order to authorize free or reduced-rate transportation for certain additional persons.

The message also announced that the Senate agrees to the amendments of the House to a bill of the Senate of the following title:

S. 1062. An act to amend the Federal Deposit Insurance Act to provide safeguards against mergers and consolidations of banks which might lessen competition unduly or tend unduly to create a monopoly in the field of banking.

TOWARD A PROPER USE OF MISSOURI RIVER WATER

(Mr. McGOVERN asked and was given permission to extend his remarks at this point in the RECORD.)

Mr. McGOVERN. Mr. Speaker, I call the attention of the House to some startling information which I recently have received from the Army Engineers and the Department of Interior.

The facts disclosed to me forecast serious consequences for my State of South Dakota and its neighboring States in the Missouri River Basin. As I believe all of the Members of this body know, the most critical difficulty facing the people of South Dakota today is the plight of our agricultural economy. Positive and aggressive action is urgently needed to correct the conditions which are making it impossible for the family farmer to earn a fair return. That is why I have joined with a number of my colleagues in sponsoring legislation designed to assure farmers a fair price and to halt the buildup of Government-owned farm surpluses.

The second threat to the successful development of our economy is the improper use of the scarce water supply which is available to us.

The very sad truth is that there is no need for us to be burdened with either of these misfortunes. When we remembered how the farmer fared before 1952, we realize that to a very large extent the farmer's present predicament results from the ill advised policies which have been followed by Mr. Benson.

I am sorry to report that our water problems are likewise aggravated by the unwise management of the waters of the Missouri River by the Corps of Engineers and the Bureau of Reclamation.

These agencies have performed a superb construction job in building the projects which were so wisely authorized by Congress. The projects are of untold benefit to the people of the Missouri Basin. Only recently they have prevented millions of dollars in property losses and the loss of many lives when the lower basin suffered from one of the greatest floods on record. But despite this outstanding record in the field of construction, both of these agencies have permitted waste in the use of water, which has accumulated in reservoirs

made possible by citizens of South Dakota and other Upper Missouri Basin States who have given up highly productive land. Precious water stored in the reservoirs is being released to make possible the maintenance of a free flowing 9-foot navigation channel downstream, at the very time we have dire need for that water in our State.

We need the water for many purposes. Last year was one of our driest years on record. More and more farmers will have to turn to supplemental irrigation. With the passage of the Conservancy District Act of 1959, great steps forward will be taken in the developments of the South Dakota irrigation program. Our progressive Governor, the Honorable Ralph Herseth, highlighted these steps in his recent appearance before the House Appropriations Subcommittee.

We need more water for domestic and municipal use. We are not going to be able to attract new industries to our State unless we are able to provide them with an adequate supply of the quality of water they need. Fortunately, water in sufficient quantities to take care of these needs can be stored in the reservoirs on the mainstem of the Missouri. Unfortunately, the waters have not been permitted to accumulate in sufficient quantities to fill those reservoirs to the desired levels because the engineers have insisted in releasing the water for downstream navigation purposes.

In addition to the water uses I have referred to previously, our economy receives a great impetus from the availability of the low-cost electric power and energy which is generated at the dams which back up the water in the reservoirs on the Missouri. If it were not for this hydropower, a large percentage of South Dakota farms would never have enjoyed the blessings of electricity because they are located in such sparsely settled areas and because our costs of steam generation are so high. If we could avail ourselves of greater quantities of this low-cost electricity we could develop much new industry.

But here is what is happening: Of the approximately 1,600,000 kilowatts of electric generating capacity installed at those dams, the Bureau of Reclamation has allocated less than 1 million kilowatts to be sold as firm power. To a considerable extent this is the result of the water being released at the wrong times for downstream navigation. As a result, our farmers and other users of that power are going to have to obtain almost one-fourth of their electricity from other sources at an additional cost of several millions of dollars per year.

Now for the distributing information I referred to at the beginning of my remarks. In answer to an inquiry from me, General Barney of the Corps of En-

H. R. 12311

IN THE HOUSE OF REPRESENTATIVES

MAY 19, 1960

Mr. COOLEY introduced the following bill; which was referred to the Committee on Agriculture

A BILL

To extend for one year the Sugar Act of 1948, as amended.

1 *Be it enacted by the Senate and House of Representa-*
2 *tives of the United States of America in Congress assembled,*
3 That section 412 of the Sugar Act of 1948 (relating to ter-
4 mination of the powers of the Secretary under the Act) is
5 amended by striking out "1960" in each place it appears
6 therein and inserting in lieu thereof "1961".

7 SEC. 2. Sections 4501 (c) and 6412 (d) (relating to the
8 termination and refund of taxes on sugar) of the Internal
9 Revenue Code of 1954 are amended by striking out "1961"
10 in each place it appears therein and inserting in lieu thereof
11 "1962".

86TH CONGRESS
2D Session

H. R. 12311

A BILL

To extend for one year the Sugar Act of 1948,
as amended.

By Mr. COOLEY

MAY 19, 1960

Referred to the Committee on Agriculture

June 1, 1960

to develop new methods of controlling insects and other pests of plants and animals so as to avoid pesticide and other chemical residues, and to develop biological methods of pest control which will not create residue hazards.
p. 10784

14. COTTON. The Agriculture Committee reported with ^{out} amendment H. R. 12115, to extend the minimum national marketing quota for extra long staple cotton to the 1961 crop (H. Rept. 1729), and with amendment H. R. 11646, to amend the act authorizing the Secretary of Agriculture to collect and publish statistics of the grade and staple length of cotton by defining certain offenses in connection with the sampling of cotton for classification and providing a penalty provision (H. Rept. 1737). p. 10785
15. FRUITS AND NUTS. The Agriculture Committee reported with amendment H. R. 12341, relating to the extension of the existing restrictions on imported commodities to lemons, oranges, figs, dates, and walnuts (H. Rept. 1734). p. 10785
16. TREASURY-POST OFFICE APPROPRIATION BILL, 1961. Agreed to the conference report on this bill, H. R. 10569, and agreed to insist on its disagreement to a Senate amendment to limit the use of the Congressional frank. pp. 10742-4
17. RECLAMATION. Passed as reported S. 1892, to authorize the Secretary of the Interior to construct, operate, and maintain the Norman reclamation project, Okla. (pp. 10753-70). Earlier a Rules Committee resolution for the consideration of this bill had been agreed to (pp. 10753-7).
18. INFORMATION. The Foreign Affairs Committee reported without amendment S. Con. Res. 75, favoring the active participation by Federal agencies in the Fifth International Congress on High-Speed Photography to be held in Washington, D. C. in 1960 (H. Rept. 1733). p. 10785
19. SUGAR; ACREAGE ALLOTMENTS; LAND GRANT COLLEGES. The Agriculture Committee voted to report (but did not actually report) the following bills: p. D486
H. R. 12311, with amendment, to extend the Sugar Act of 1948;
H. R. 12420 (a clean bill introduced in lieu of H. R. 11049), to treat all basic agricultural commodities alike with respect to the cost of remeasuring acreage allotments;
H. R. 10876, to increase the authorized appropriation for resident teaching grants to land grant institutions.
20. SMALL BUSINESS; DEFENSE PRODUCTION. The Banking and Currency Committee voted to report (but did not actually report) the following bills: p. D486
H. R. 11207, to amend the Small Business Act so as to authorize an additional \$150,000,000 for loans to small business, and to make other technical amendments in the act;
H. R. 12052, to extend the Defense Production Act of 1950 for 2 additional years.
21. WATER RESOURCES. The Public Works Committee voted to report (but did not actually report) H. R. 9999, granting the consent and approval of Congress to the Northeastern Water and Related Land Resources Compact. p. D488
22. INTEREST RATES. Rep. Patman inserted and commented on a letter dealing with interest rates, and one dealing with payment of the national debt. pp. 10772-4

23. DEPRESSED AREAS. Rep. Widnall inserted a comparison between two depressed areas bills pending in Congress "that are supported by the administration," and the recently vetoed depressed areas bill. pp. 10781-2
24. LEGISLATIVE PROGRAM. The "Daily Digest" states that on Thur., June 2, the House will consider H. R. 10572, the multiple uses forestry management bill, and H. R. 11761, relating to the consolidation of Farmers Home Administration loan authority. p. D486

ITEMS IN APPENDIX

25. SMALL BUSINESS. Extension of remarks of Rep. McDowell stating that "the family farmer and the farsighted labor leader both have an enormous, but often unrecognized, stake in the well-being of the small businessman," and inserting a letter to the editor of Harper's magazine discussing their article, "How Small Business Cuts Its Throat." pp. A4623-4
26. AMERICAN SAMOA. Extension of remarks of Sen. Long, Hawaii, inserting the constitution of American Samoa and stating that "it provides a legal basis for a changing society ..." pp. A4624-8
27. ELECTRIFICATION. Rep. Porter inserted an address by S. L. Descartes, P. R., Water Resources Authority, "Electric Power: Key to Progress for the Underdeveloped Countries." pp. A4671-3

BILLS INTRODUCED

28. SUGAR. H. R. 12461, by Rep. Hoeven, to amend the Sugar Act of 1948, as amended, for 1 year and to authorize Presidential action during the time Congress is not in session if such action is in the national interest or is necessary to insure an adequate supply of sugar; to Agriculture Committee.
29. SALINE WATER. H. R. 12462, by Rep. Holifield, to expand and extend the saline water conversion program under the direction of the Secretary of the Interior to provide for accelerated research, development, demonstration, and application of practical means for the economical production, from sea or other saline waters, of water suitable for agricultural, industrial, municipal, and other beneficial consumptive uses; to Interstate and Foreign Commerce Committee.
30. WILDLIFE. H. R. 12463, by Rep. King, Utah, to provide for advance consultation with the Fish and Wildlife Service and with State wildlife agencies before the beginning of any Federal program involving the use of pesticides or other chemicals designed for mass biological controls; to Merchant Marine and Fisheries Committee.
31. PERSONNEL. H. R. 12466, by Rep. Cohelan, to amend the Federal Employees Compensation Act to make benefits more realistic in terms of present wages rates; to Education and Labor Committee.
32. COMPACT. H. R. 12467, by Rep. McCormack, granting the consent and approval of Congress to the northeastern water and related land resources compact; to Public Works Committee.

Digest of CONGRESSIONAL PROCEEDINGS

OFFICE OF
BUDGET AND FINANCE

(For Department
Staff Only)

OF INTEREST TO THE DEPARTMENT OF AGRICULTURE

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For actions of June 6, 1960
86th-2d, No. 102

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HIGHLIGHTS: House committee reported sugar bill. House passed bills to: Extend minimum national quota for extra long staple cotton; extend Defense Production Act. House passed over agricultural attache assignment bill. Senate agreed to conference report on Treasury-Post Office appropriation bill. Senate subcommittee approved Labor-HEW appropriation bill.

SENATE

1. TREASURY-POST OFFICE APPROPRIATION BILL, 1961. Agreed to the conference report on this bill, H. R. 10569, and rejected, by a vote of 49 to 25, a motion by Sen. Robertson to recede from one amendment in disagreement. Agreed to a motion by Sen. Williams, Del., to insist upon its position on the amendment in disagreement, and conferees were appointed on the amendment. pp. 11019-32
2. LABOR-HEW APPROPRIATION BILL, 1961. A subcommittee of the Appropriations Committee marked up and approved for full committee consideration this bill, H. R. 11390. p. D506
3. WOOL. The Judiciary Committee reported without amendment S. J. Res. 187, to provide for the designation of the month of September 1960, as National Wool Month (S. Rept. 1509). p. 10998
4. PUBLIC WORKS; FLOOD CONTROL. The Public Works Committee reported with amendments H. R. 7634, to authorize the construction, repair, and preservation of certain

public works on rivers and harbors for navigation and flood control (S. Rept. 1524) (p. 10998). The "Daily Digest" states that the Public Works Committee "approved a new Title 3 (relating to the evaluation of recreational benefits)" for inclusion in this bill (p. D507).

5. FARM PROGRAM. Sen. Keating inserted an address by Gov. Rockefeller, N. Y., discussing the economic growth potential of the U. S., and stating that "We must reorient our farm program to the goal of useful and more efficient production. A large number of low-income farmers presently account for only a small portion of agricultural output. We need a program that will really help these farmers to increase their productiveness by finding other opportunities with greater rewards to themselves and to the national economy. Here, too, we would advance the cause of economic growth." pp. 11099-13
6. POSTAL RATES; INFORMATION. Sen. Robertson inserted the testimony of the editor of the Southern Planter before the Senate Post Office and Civil Service Committee discussing the value of farm papers to the rural population, and opposing a proposed postal rate increase on such papers. pp. 11015-6
7. RECLAMATION. Agreed to S. Con. Res. 109, requesting the President to return S. 1892, to authorize construction of the Norman, Okla., reclamation project, for a correction in the engrossed copy of the bill (p. 11052). The resolution had been submitted by Sen. Mansfield earlier (p. 10998).
8. ART COUNCIL; INFORMATION. A subcommittee of the Labor and Public Welfare Committee voted to report to the full committee S. 447, to provide for the establishment of a Federal Advisory Council on the Arts to assist in the growth and development of the fine arts. p. D507

HOUSE

9. SUGAR. The Agriculture Committee reported with amendment H. R. 12311, to extend for one year the Sugar Act of 1948 (H. Rept. 1746). p. 11093
10. PERSONNEL. Passed over without prejudice, at the request of Rep. Gross, H. R. 8074, to permit the assignment of agricultural attaches to positions in the U. S. for a maximum of four years without reduction in grade. p. 11059
Agreed to the Senate amendments to H. R. 7577, to amend title 28 of the U. S. Code to provide for the defense of suits against Federal employees arising out of their operation of motor vehicles in the scope of their employment. This bill will now be sent to the President. pp. 11072-3
Passed without amendment H. R. 4271, to validate the salary overpayments made to certain officers and employees incident to the salary adjustment provisions of the Federal Employees Salary Increase Act of 1955. pp. 11073-4
Conferees were appointed on H. R. 4283, to provide that certain officers of the executive branch of the Federal Government appointed by the President and confirmed by the Senate shall be exempt from the District of Columbia Income and Franchise Tax Act of 1947. Senate conferees have not yet been appointed. p. 11088
11. WATERSHEDS. Passed as reported H. R. 11615, to amend the Watershed Protection and Flood Prevention Act so as to authorize Federal assistance on watershed projects prior to the acquisition of land, easements, or rights-of-way. p. 11063

SUGAR ACT OF 1948

JUNE 6, 1960.—Committed to the Committee of the Whole House on the State of the Union and ordered to be printed

Mr. COOLEY, from the Committee on Agriculture, submitted the following

REPORT

[To accompany H.R. 12311]

The Committee on Agriculture, to whom was referred the bill (H.R. 12311) to extend for 1 year the Sugar Act of 1948, as amended, having considered the same, report favorably thereon with amendment and recommend that the bill do pass.

The amendment is as follows: At the end of the bill add the following new section:

SEC. 3. Section 204(c) of the Sugar Act of 1948, as amended (relating to proration of deficits) is amended by striking out "shall not be reduced" and inserting "may be reduced".

PURPOSE OF THE BILL

This bill extends for 1 year the provisions of the Sugar Act of 1948, as amended, without any change other than that made by the committee amendment, which will permit the Secretary of Agriculture to adjust downward the quota for a calendar year of any area which fails to fill its quota during that year. The amendment would become effective immediately upon enactment of the bill.

The Sugar Act of 1948 superseded the Sugar Act of 1937, operation of which had been suspended during the war and immediate postwar years. Beginning with the 1948 act, it has been the practice of Congress to legislate on this subject for 4-year periods: From 1948 to 1952, from 1952 to 1956, and from 1956 to 1960. The fact that the act is by this bill extended for only 1 calendar year (through Dec. 31, 1961) is to be taken as an indication of congressional policy that this is not an appropriate time for another 4-year extension but that the whole act should be reviewed and reconsidered next year in the light of conditions in sugar-producing areas at that time.

COMMITTEE AMENDMENT

Section 204 of the act provides for the proration by the Secretary of Agriculture of deficits occurring when any area is unable to fill its full quota. If any area is unable to fill the deficit assigned to it, such deficit may be reapportioned to other areas. It will be noted that the statute (sec. 204(b)) authorizes the apportionment of unfilled deficits to "such countries as he determines is required to fill such proration." This means that in order to obtain a sufficient amount of sugar, if deficits cannot be filled by any countries having quotas under the act, they may be allocated to any country where sugar is available. The committee amendment would permit the Secretary to reduce the quota of any area for any calendar year by the amount of its deficit. The reduction in quota would be effective for that calendar year only. The existing language of the statute provides that the Secretary "shall not" make any such quota reduction. The amendment would change the words "shall not" to "may."

The effect of this amendment, taken in conjunction with the existing authority of the Secretary to dealers and reallocate deficits, is to give the executive branch the authority it has requested to permit a reduction in the sugar quota of an area if necessary in order to assure an orderly supply of sugar. It would prevent a country or an area which had failed to fill its quota from coming in, after a deficit had been allocated elsewhere, and disorganizing the sugar market by shipping in supplies up to its full quota.

The difference between this and the administration's proposal is that under the provisions of the administration bill, the authority to reduce quotas would be vested in the President and could be exercised at his discretion "with respect to any foreign country other than the Republic of the Philippines" on a mere finding and proclamation by him that such action is "in the national interest or to insure adequate supplies of sugar."

There is no requirement that action taken "in the national interest" have anything to do with sugar supplies nor are there procedural safeguards of any kind to assure against arbitrary action, or the appearance of arbitrary action, on the part of the President.

Under the committee amendment, the authority would exist to reduce quotas and to obtain sugar from outside sources should it become necessary, but that authority is vested in the Secretary of Agriculture, may be exercised by him only for economic reasons related directly to our sugar supply, and is carried out under procedures which are well established and fully understood by all of the areas participating in our sugar program.

Section 204(a) provides that the Secretary shall determine from time to time whether the various producing areas will be able to fill their quotas and, if not, to declare a deficit as provided by law. In making that determination the Secretary takes into consideration "the current inventories of sugar, the estimated production from the acreage of sugarcane or sugarbeets planted, the normal marketings within a calendar year of new crops of sugar, and other pertinent factors." This language has been in the Sugar Act for many years and has been frequently used. Its meaning and the procedures

under which deficits are determined and reallocated are well established. It provides the executive branch with all the authority it needs to assure adequate supplies of sugar and, in connection with the above amendment, will provide all the authority necessary to prevent deliberate action to disrupt the sugar program.

NATIONAL POLICY

For many years it has been the policy of the U.S. Government—for defense and strategic reasons—to preserve within the United States the ability to produce a substantial portion of our sugar requirements. This has been done because sugar is an essential and vital food product needed by American consumers, the supply of which on a worldwide scale has been marked by periods of alternating scarcity and surplus.

A large portion of the world's sugar is grown in tropical countries where cheap labor is abundantly available. An additional large portion of world production is in countries which, like the United States, provide protection or subsidy to their sugar producers.

It is unlikely that a significant amount of sugar would be grown in the continental United States if American producers had to compete on the open world market with sugar produced with cheap tropical labor or under subsidy in other countries.

For years, protection was afforded to our sugar producers solely through the tariff. Although the tariff did assist domestic producers, it still left them exposed to the price fluctuations of the world sugar market. It also increased the price of sugar to consumers in the United States without assuring them of adequate foreign sources of supply.

A quota system which prorated domestic consumption among producers in the United States and a number of foreign countries was developed and enacted as law in 1934. The quota system was revised in 1937 and again in the present act which became effective in 1948. Since initiation of the quota system, the tariff on sugar has been reduced 75 percent and now represents only supplementary protection to the sugar industry.

A tax of 0.5 cent per pound is imposed on all sugar manufactured or imported into the United States. Payments are made to domestic producers of sugarcane or sugar beets at a rate which ranges from 80 cents per hundredweight of recoverable sugar produced on small farms to as little as 30 cents per hundredweight of production in excess of 30,000 tons of sugar on large farms. To qualify for payments under the program, producers must comply with production restrictions, pay fair wages to workers, and not employ child labor and, if they are also processors, pay fair prices for sugarcane or sugar beets.

Income to the Government from the tax on sugar has been very substantially in excess of the amount disbursed as payments to domestic growers during each of the years under the program. In recent years the income from the tax has approximated \$90 million annually, while payments to growers have approximated \$65 million.

Since 1937 there has been a net return to the Treasury of over \$400 million in the difference between collections on the sugar excise tax and the actual cost of the stabilization program.

BASIC PURPOSES OF THE SUGAR ACT

Basically, the Sugar Act is intended to do three things: (1) Make it possible, as a matter of national security, to produce a substantial part of our sugar requirements within continental United States and to do this without the consumer-penalizing device of a high protective tariff; (2) assure U.S. consumers of a plentiful and stable supply of sugar at reasonable prices; and (3) permit nearby friendly foreign countries to participate equitably in supplying the U.S. sugar market for the double purpose of expanding international trade and assuring a stable and adequate supply of sugar.

The Sugar Act has been notably successful in attaining all three of these major objectives. Under its protection, approximately one-third of our total consumption of sugar is produced by growers within the continental limits of the United States and total domestic production (including Hawaii, Puerto Rico, and the Virgin Islands) fills 53 percent of our sugar quota. The Sugar Act has given us this security in supplies and at the same time has done so at a minimum cost to the consumer and taxpayer. Retail sugar prices in the United States have been remarkably stable since the enactment of the Sugar Act. Up to the present, our Sugar Act has been nearly as successful in attaining its third objective—the sharing of part of our market equitably among nearby friendly nations. Cuba furnishes about one-third of our needs and the Philippines about 11 percent. About 3 percent is imported from other foreign countries.

SUPPLY

Table 1 below shows how the various supplying areas have participated in the U.S. sugar market from 1900 through 1959. It will be noted that since 1948, all areas have shared equitably in the expanding sugar market in the United States. The lower figures for some areas in the past 2 or 3 years have resulted from production difficulties.

Table 2 shows the manner in which quotas have been distributed among the various producing areas in the past 6 years. Table 2(a) shows the final quotas for 1959 and unfilled balances, if any. Final quotas of Hawaii, Puerto Rico, and the Virgin Islands reflect adjustments for deficits.

TABLE 1.—*Entries and marketings of sugar in continental United States from all areas, 1900 to date*

[1000 short tons, raw value]

Year ¹	Total	Continental United States ²		Hawaii	Puerto Rico	Virgin Islands	Philippines	Cuba ³	Other foreign countries
		Beet	Main-land cane						
1900.....	2,413	92	312	252	36	(1)	25	353	1,343
1901.....	2,963	198	364	345	69	(1)	2	550	1,435
1902.....	2,574	233	373	350	92	(1)	6	492	1,018
1903.....	3,143	258	278	387	113	(1)	9	1,198	900
1904.....	3,023	259	415	368	130	(1)	31	1,410	410
1905.....	3,118	335	390	416	136	(1)	39	1,029	773
1906.....	3,359	518	273	373	205	(1)	35	1,391	564
1907.....	3,701	496	394	411	204	(1)	13	1,618	565
1908.....	3,331	456	415	539	235	(1)	19	1,155	512
1909.....	3,730	548	332	511	244	(1)	42	1,431	622
1910.....	3,789	546	355	555	285	(1)	88	1,755	205
1911.....	3,801	642	361	506	323	(1)	115	1,674	180
1912.....	3,927	742	163	603	367	(1)	218	1,593	241
1913.....	4,382	784	301	543	383	(1)	102	2,156	113
1914.....	4,431	773	247	557	321	(1)	58	2,463	12
1915.....	4,718	935	139	640	294	(1)	163	2,392	155
1916.....	5,000	878	311	569	425	(1)	109	2,575	133
1917.....	4,808	819	246	581	489	6	134	2,335	198
1918.....	4,430	814	285	540	336	4	87	2,280	84
1919.....	5,352	777	122	579	364	10	88	3,343	69
1920.....	6,337	1,165	176	550	413	13	146	2,881	993
1921.....	5,412	1,091	327	541	469	6	155	2,530	223
1922.....	6,807	722	296	568	350	6	275	4,527	53
1923.....	5,831	943	172	519	342	2	238	3,426	189
1924.....	6,463	1,166	90	677	393	2	339	3,692	104
1925.....	6,934	977	142	755	600	11	493	3,923	33
1926.....	7,024	960	48	747	559	6	380	4,280	44
1927.....	6,809	1,170	72	777	574	6	531	3,650	29
1928.....	6,691	1,135	136	878	674	11	575	3,249	33
1929.....	7,587	1,089	218	882	507	3	711	4,149	28
1930.....	6,683	1,293	215	858	809	6	794	2,645	53
1931.....	6,727	1,343	206	998	796	2	872	2,482	28
1932.....	6,303	1,319	160	1,048	940	5	1,028	1,791	12
1933.....	6,331	1,366	315	990	793	5	1,249	1,573	40
1934.....	6,574	1,562	268	948	807	5	1,088	1,866	30
1935.....	6,277	1,478	319	927	793	2	917	1,830	11
1936.....	6,833	1,364	409	1,033	907	4	935	2,102	29
1937.....	6,860	1,245	491	985	896	8	991	2,155	89
1938.....	6,619	1,448	449	906	815	4	981	1,941	75
1939.....	7,466	1,809	587	966	1,126	6	980	1,930	62
1940.....	6,443	1,550	406	941	798	0	931	1,750	17
1941.....	8,009	1,952	411	903	993	5	855	2,700	190
1942.....	5,555	1,703	407	751	836	0	23	1,796	39
1943.....	6,466	1,524	460	866	642	3	0	2,857	114
1944.....	6,942	1,155	515	802	743	3	0	3,618	106
1945.....	5,997	1,043	417	740	903	4	0	2,393	87
1946.....	5,657	1,379	445	633	867	5	0	2,282	46
1947.....	7,759	1,574	383	842	969	3	0	3,943	45
1948.....	7,084	1,656	456	714	1,013	4	252	2,927	62
1949.....	7,588	1,487	557	769	1,091	4	525	3,103	52
1950.....	8,279	1,749	522	1,145	1,053	11	474	3,264	61
1951.....	7,758	1,730	457	941	959	6	706	2,946	13
1952.....	7,991	1,560	579	972	983	6	860	2,980	51
1953.....	8,282	1,749	513	1,087	1,118	12	932	2,760	111
1954.....	8,240	1,802	501	1,040	1,082	10	974	2,718	113
1955.....	8,396	1,797	500	1,052	1,080	10	977	2,862	118
1956.....	8,992	1,955	601	1,091	1,135	13	932	3,089	126
1957.....	8,916	2,066	636	1,037	912	15	906	3,127	217
1958.....	9,076	2,240	680	630	823	6	980	3,438	279
1959.....	9,240	2,241	578	977	958	12	930	3,215	279

¹ Data on fiscal year basis 1900-18; calendar year basis 1919 to date.² Crop year production 1900-30.³ Excludes sugar imported for foreign claimants as follows: 1942, 144,000 tons; 1943, 446,000 tons; 1944, 262,000 tons; 1945, 337,000 tons; 1946, 368,000 tons; 1947, 230,000 tons.

TABLE 2.—*Basic and adjusted sugar quotas, 1954-59*

[Short tons, raw value]

BASIC QUOTAS—FINAL

Area	1954	1955	1956	1957	1958	1959 ¹
Domestic:						
Domestic beet.....	1,800,000	1,800,000	1,953,952	1,948,357	1,998,717	2,021,098
Mainland cane.....	500,000	500,000	601,250	599,528	615,024	621,912
Hawaii.....	1,052,000	1,052,000	1,090,496	1,087,373	1,115,479	1,127,970
Puerto Rico.....	1,080,000	1,080,000	1,140,253	1,136,987	1,166,375	1,179,437
Virgin Islands.....	12,000	12,000	15,549	15,505	15,905	16,083
Total, domestic areas....	4,444,000	4,444,000	4,801,500	4,787,750	4,911,500	4,966,500
Foreign:						
Philippines.....	974,000	977,000	980,000	980,000	980,000	980,000
Cuba.....	2,718,720	2,859,840	3,089,760	2,993,897	3,060,475	3,090,065
Other foreign.....	113,280	119,160	128,740	213,353	248,025	263,435
Total, foreign areas....	3,806,000	3,956,000	4,198,500	4,187,250	4,288,500	4,333,500
Grand total.....	8,250,000	8,400,000	9,000,000	8,975,000	9,200,000	9,300,000

ADJUSTED QUOTAS—FINAL

Domestic:						
Domestic beet.....	1,803,099	1,800,000	1,955,401	2,070,694	2,292,488	2,225,264
Mainland cane.....	500,861	500,000	601,696	637,172	720,805	684,735
Hawaii.....	1,043,000	1,052,000	1,091,305	1,060,000	700,000	977,970
Puerto Rico.....	1,081,859	1,080,000	1,141,098	920,000	815,000	969,875
Virgin Islands.....	10,500	12,000	12,000	14,753	6,100	12,405
Total, domestic areas....	4,439,319	4,444,000	4,801,500	4,702,619	4,534,393	4,870,249
Foreign:						
Philippines.....	974,000	977,000	980,000	930,000	980,000	980,000
Cuba.....	2,723,401	2,859,840	3,089,760	3,127,028	3,437,582	3,186,316
Other foreign.....	113,280	119,160	128,740	215,353	² 279,304	263,435
Total, foreign areas....	3,810,681	3,956,000	4,198,500	4,272,381	² 4,696,886	4,429,751
Grand total.....	8,250,000	8,400,000	9,000,000	8,975,000	² 9,231,279	9,300,000

¹ As announced Sept. 3, 1959.² This is 31,279 tons larger than "basic," above, because Peru acceded to the International Sugar Agreement in November 1958. This entitled Peru to enter its full basic proration for the year even though the difference between her basic proration and the nonmember limit pursuant to the agreement had been prorated to other full duty countries before her accession occurred.

TABLE 2(a).—Status of 1959 sugar quotas as of Dec. 31, 1959

Area	Quota	Credit for drawback of duty	Charge to quota and offset to drawback of duty ¹		Unfilled balance	
			Total	Direct consumption ²	Total	Direct consumption
	Short tons, raw value					
Domestic beet.....	2,267,665		2,242,000		25,665	
Mainland cane.....	697,783		600,000		97,783	
Hawaii ³	977,970		976,852	21,574	1,118	1,118
Puerto Rico ³	969,875		⁴ 957,580	138,919	12,295	242
Virgin Islands ³	12,405		12,302		103	
Republic of the Philippines.....	980,000	0	980,000	31,464	0	⁵ 0
Cuba.....	3,215,457	3,266	3,218,723	375,771	0	⁵ 0
Other foreign countries.....	278,845	2,144	280,812	65,748	177	177
Total.....	9,400,000	5,410	9,268,269	633,476	137,141	1,537
Details of other foreign countries:						
Peru.....	95,527	1,107	96,634	10,094	0	0
Dominican Republic.....	81,457	903	82,360	8,983	0	0
Mexico.....	64,809	83	64,892	16,341	0	0
Nicaragua.....	14,027	0	14,027	10,778	0	0
Haiti.....	7,014	11	6,862	3,515	163	163
Netherlands.....	3,731	0	3,730	3,730	⁵ 1	⁵ 1
China.....	3,624	0	3,611	3,611	13	⁵ 13
Panama.....	3,624	40	3,664	3,664	0	0
Costa Rica.....	3,616	0	3,616	3,616	0	0
Canada.....	631	0	631	631	0	⁵ 0
United Kingdom.....	516	0	516	516	0	0
Belgium.....	182	0	182	182	0	0
British Guiana.....	84	0	84	84	0	0
Hong Kong.....	3	0	3	3	0	⁵ 0
Total.....	278,845	2,144	280,812	⁶ 65,748	177	177
	Wine gallons of 72 percent total sugar content					
Liquid sugar: ⁷						
Cuba.....	7,970,558		7,970,558		⁵ 0	
Dominican Republic.....	830,894		830,894		0	
British West Indies.....	300,000		0		300,000	

¹ These data include the following: (a) Domestic beet and mainland cane sugar partly estimated; and (b) all other sugar entered as of Dec. 11, 1959.

² Includes raw sugar for direct consumption from Cuba, 16,236; Hawaii, 62; Republic of the Philippines, 6,792; Puerto Rico, 16; Haiti, 3,515; Peru, 43; total, 26,664.

³ Despite deficit declared, full quotas remained available as follows: Hawaii, 1,140,462; Puerto Rico, 1,192,498; Virgin Islands, 16,261.

⁴ In addition, 117 tons of raw sugar were imported for processing and return to Puerto Rico.

⁵ Sugar held in Customs custody pending availability of quota: Cuba, 5,551; Netherlands, 3,462; Canada, 641; Hong Kong, 42; China, 214; Philippines, 8,936; Cuban liquid, 87,092 gallons.

⁶ Under sec. 212(1) charges to quotas exclude the 1st 10 tons entered from West Germany, Guatemala, Japan, and from each country listed.

⁷ Under sec. 212(3) 13,072 gallons were entered from the United Kingdom and 900 gallons from Australia.

COST

As has been pointed out, the objectives of the Sugar Act have been attained at a minimum of cost to the consumer and the taxpayer. The program is financed by a tax of one-half cent per pound raw value on all sugar processed in the United States and on all imported refined sugar. This tax has been offset by more than \$400 million, the total of all payments to domestic producers plus the cost incurred by the Department of Agriculture in administering the Sugar Act. Table 3 shows the total of such collections by years since the enactment of the Sugar Act in 1937. It is to be noted that the collections do not include tariff duties, which amount to approximately \$37.5 million per year, but only collections from the tax above referred to. Table 4 shows the payments which have been made under the act to the various domestic areas.

TABLE 3.—*Sugar Act tax collections, 1938 to date*

Fiscal year	Sugar tax collections ¹			Fiscal year	Sugar tax collections ¹		
	Excise tax ²	Import tax ³	Total		Excise tax ²	Import tax ³	Total
1938.....	\$30,569,130	\$2,680,298	\$33,249,428	1950.....	\$71,188,029	\$4,091,155	\$75,279,184
1939.....	65,414,058	3,494,627	68,908,685	1951.....	80,191,884	3,613,479	83,805,363
1940.....	68,145,358	5,456,207	73,601,565	1952.....	78,473,191	3,621,210	82,094,401
1941.....	74,834,839	4,859,760	79,694,599	1953.....	78,129,860	5,005,959	83,135,819
1942.....	68,229,803	4,088,963	72,318,766	1954.....	73,885,000	4,498,368	78,383,368
1943.....	53,551,777	3,520,064	57,071,841	1955.....	78,512,000	4,177,097	82,689,097
1944.....	68,788,910	5,097,940	73,886,850	1956.....	82,894,000	4,806,321	87,700,321
1945.....	73,293,966	3,522,414	76,816,380	1957.....	86,091,000	4,305,501	90,396,501
1946.....	56,731,986	3,231,592	59,963,578	1958.....	85,911,000	4,957,798	90,868,798
1947.....	59,151,922	5,115,447	64,267,369	1959.....	86,378,000	5,683,187	92,061,187
1948.....	71,246,834	3,284,502	74,531,336	1960.....			
1949.....	76,174,356	4,698,867	80,873,223				

¹ Imposed at a rate of 0.465 cent per pound on sugar testing 92 sugar degrees and for each additional sugar degree 0.00875 cent per pound additional (equivalent to 0.50 and 0.535 cent per pound on sugar testing 96 and 100 sugar degrees, respectively). On sugar testing less than 92 sugar degrees the rate is 0.5144 cent per pound of the total sugar content.

² Collected by the Internal Revenue Service on all sugar processed or refined in the United States.

³ Collected by the Collector of Customs on direct-consumption sugar imported into the United States.

TABLE 4.—*Sugar Act payments, by areas, 1937 to date ¹*

Crop year	Sugar beet	Mainland cane	Hawaii	Puerto Rico	Virgin Islands	Total
1937.....	\$17,136,667	\$5,355,774	\$4,174,800	\$9,502,122	-----	\$36,169,363
1938.....	22,073,345	6,311,779	8,594,431	8,871,084	-----	45,850,639
1939.....	21,371,789	5,448,583	8,975,615	10,617,743	-----	46,413,730
1940.....	23,262,539	3,887,750	8,851,542	9,566,735	-----	45,568,566
1941.....	18,991,929	4,561,504	8,594,533	11,231,588	-----	43,379,554
1942.....	29,770,909	6,955,080	8,147,494	13,122,990	\$26,320	58,022,793
1943.....	17,602,914	7,392,119	8,250,816	12,214,038	56,362	45,516,249
1944.....	18,632,477	6,646,061	8,210,656	13,061,033	41,380	46,591,607
1945.....	22,911,916	6,839,763	8,065,079	13,271,249	59,027	51,144,034
1946.....	27,735,230	6,536,104	6,574,448	15,060,552	66,758	55,973,092
1947.....	32,259,930	6,260,340	8,109,124	15,492,292	43,684	62,165,370
1948.....	23,236,938	7,232,755	7,628,611	17,667,677	64,142	55,770,123
1949.....	26,581,945	7,087,424	8,437,619	17,531,629	65,586	59,704,203
1950.....	33,744,012	7,826,663	8,471,294	17,148,914	138,510	67,329,393
1951.....	25,899,661	6,467,938	9,143,041	18,928,168	97,776	60,536,554
1952.....	24,735,741	7,977,490	9,398,138	16,960,951	145,120	59,217,440
1953.....	29,974,245	8,607,186	10,155,590	16,698,919	170,844	65,606,784
1954.....	33,224,656	8,051,294	9,932,469	16,220,824	127,750	67,556,993
1955.....	29,101,754	7,607,634	10,535,921	15,953,468	135,758	63,334,535
1956.....	31,287,969	7,330,693	10,179,146	14,683,659	167,144	63,648,611
1957.....	36,355,435	7,258,246	10,052,121	13,516,077	193,311	67,375,190
1958.....	² 36,309,000	7,397,473	7,430,239	14,873,728	124,999	66,135,439
1959.....					163,872	

¹ Includes abandonment and deficiency payments.

² Estimate.

PRICES

An outstanding feature of the U.S. sugar program is the price stability it has brought to our domestic sugar market. Although there are fluctuations, they are within a rather narrow range—reducing uncertainties and inventory problems for consumers. Industrial users of sugar are not compelled to carry excessive sugar stocks as a hedge against a sudden large price rise, nor do they fear that the value of the working stocks they have on hand will suddenly shrink. Similarly, the American housewife can reach for sugar on her grocer's shelf with confidence not only that it will be there but also that the cost will continue to be a negligible item in the family food budget. Both the industrial user and the housewife know that the price of sugar in the United States is not only stable, but it is also reasonable by any fair standard of measurement.

This has not always been the case, as is demonstrated by table 5, which shows the retail price of refined sugar from 1913 until shortly after the effective date of the 1937 Sugar Act. In June 1920, sugar reached a price of 26.7 cents per pound, and the whole period 1913–20 was marked by steady increases in sugar prices, combined with violent fluctuations. Fluctuations continued during the 1920's with a generally descending trend in prices but with prices for the first 7 years substantially above a reasonable level, as compared to the general price structure and the price of other foods. It will be noted also that even in the depression years of the early 1930's, sugar prices did not respond downward along with all other prices and the price of sugar was relatively high compared both to the general price level and consumer income.

TABLE 5.—*Refined sugar, retail price per pound, by months, 1913–40*

[Cents per pound]

Year	Jan.	Feb.	Mar.	Apr.	May	June	July	Aug.	Sept.	Oct.	Nov.	Dec.	Annual average
1913.....	5.8	5.5	5.4	5.4	5.4	5.3	5.5	5.6	5.7	5.5	5.4	5.4	5.5
1914.....	5.2	5.2	5.1	5.0	5.0	5.1	5.2	7.9	8.0	7.2	6.2	6.1	5.9
1915.....	6.0	6.5	6.6	6.7	6.8	6.9	7.0	6.7	6.5	6.1	6.6	6.8	6.6
1916.....	6.7	6.9	7.5	8.0	8.6	8.7	8.8	8.5	7.7	8.2	8.6	8.3	8.0
1917.....	8.0	8.1	8.8	9.6	10.1	9.4	9.2	10.0	9.9	9.8	9.6	9.5	9.3
1918.....	9.5	10.6	9.2	9.1	9.1	9.1	9.2	9.3	9.6	10.6	10.8	10.8	9.7
1919.....	10.8	10.7	10.6	10.6	10.6	10.6	10.9	11.1	11.0	11.4	12.5	14.5	11.3
1920.....	17.8	18.8	18.7	20.2	25.4	26.7	26.5	22.9	18.3	13.9	12.8	10.5	19.4
1921.....	9.7	8.9	9.7	9.7	8.4	7.8	7.1	7.5	7.3	6.9	6.7	6.5	8.0
1922.....	6.2	6.4	6.5	6.7	6.6	7.1	7.6	8.1	7.9	7.9	8.1	8.3	7.3
1923.....	8.1	8.5	10.0	10.3	10.9	10.9	10.3	9.4	9.4	10.4	10.0	10.2	9.9
1924.....	10.0	10.1	10.2	9.7	9.0	8.1	8.2	8.0	8.4	8.6	8.6	8.5	9.0
1925.....	7.9	7.5	7.4	7.3	7.0	6.9	6.8	6.8	6.8	6.6	6.4	6.6	7.0
1926.....	6.5	6.6	6.5	6.5	6.6	6.8	6.8	6.8	6.8	7.0	7.0	7.1	6.8
1927.....	7.4	7.3	7.3	7.1	7.1	7.2	7.2	7.1	7.1	7.1	7.0	7.0	7.2
1928.....	7.0	7.0	7.0	7.0	7.1	7.1	7.1	6.9	6.9	6.8	6.7	6.6	6.9
1929.....	6.6	6.5	6.3	6.3	6.3	6.2	6.3	6.5	6.6	6.6	6.6	6.5	6.4
1930.....	6.5	6.4	6.3	6.2	6.2	6.0	6.0	5.9	5.8	5.7	5.8	5.8	6.1
1931.....	5.8	5.8	5.7	5.6	5.5	5.4	5.5	5.6	5.6	5.5	5.5	5.4	5.6
1932.....	5.3	5.3	5.2	5.0	4.9	4.8	4.9	5.0	5.0	5.1	5.0	5.0	5.0
1933.....	5.0	4.9	5.0	5.0	5.2	5.3	5.4	5.6	5.6	5.6	5.6	5.5	5.3
1934.....	5.4	5.4	5.4	5.4	5.4	5.4	5.7	5.7	5.7	5.7	5.6	5.5	5.5
1935.....	5.4	5.4	5.4	5.4	5.6	5.7	5.8	5.8	5.8	5.8	5.9	5.8	5.7
1936.....	5.7	5.6	5.5	5.5	5.6	5.6	5.7	5.7	5.6	5.6	5.5	5.5	5.6
1937.....	5.6	5.7	5.7	5.7	5.7	5.6	5.5	5.5	5.7	5.8	5.6	5.6	5.6
1938.....	5.5	5.6	5.5	5.4	5.4	5.3	5.3	5.2	5.1	5.1	5.2	5.2	5.3
1939.....	5.2	5.1	5.1	5.1	5.1	5.2	5.2	5.2	6.4	6.2	5.8	5.6	5.4
1940.....	5.4	5.3	5.3	5.3	5.2	5.2	5.2	5.1	5.1	5.1	5.1	5.1	5.2

Table 6 shows the price behavior of sugar since the effective date of the 1937 Sugar Act. Prices shown here are wholesale prices for refined sugar in New York. Column 1 shows the actual cash price of refined sugar which increased from 4.48 cents per pound in 1938 to 9.14 cents per pound in 1959. Columns 2 and 3 show the index of prices of all foods and of per capita disposable income, respectively, and it will be noted that both of these categories have increased substantially more than the price of sugar. Column 4 shows that in comparison to the price of all foods, and of disposable income, sugar is substantially cheaper today than it was at the start of the sugar quota program. Related to the price of all foods, sugar was 4.82 cents per pound in 1939 and only 4.17 cents per pound in 1959. Related to disposable personal income, sugar was 4.57 cents per pound in 1938 and is down to 2.48 cents per pound in 1959.

TABLE 6.—*Wholesale prices of sugar (actual and adjusted), prices of all goods, per capita disposable income, and sugar distribution*

Year	(1) Sugar price, Net cash, New York (cents per pound)	(2) Prices of all foods (wholesale) (index numbers, 1935-39= 100)	(3) Per capita disposable income (index numbers, 1935-39= 100)	(4) Sugar prices adjusted for change in—		(5) Sugar distribution	
				Prices of all foods (cents per pound)	Per capita disposable income (cents per pound)	Total (1,000 short tons, raw value)	Per capita (pounds, raw value)
1938.....	4.48	93	98	4.82	4.57	6,643	102.
1939.....	4.58	89	105	5.15	4.36	6,868	105
1940.....	4.33	90	112	4.81	3.87	6,891	104
1941.....	4.92	105	136	4.69	3.62	8,069	¹ 121
1942.....	5.45	126	169	4.33	3.22	5,466	¹ 81
1943.....	5.49	135	190	4.07	2.89	6,335	93
1944.....	5.46	133	206	4.11	2.65	7,147	103
1945.....	5.39	134	209	4.02	2.58	6,041	86
1946.....	6.34	165	221	3.84	2.87	5,621	80
1947.....	8.12	206	230	3.94	3.53	7,448	103
1948.....	7.60	222	251	3.42	3.03	7,343	100
1949.....	7.81	202	247	3.87	3.16	7,580	102
1950.....	7.84	207	266	3.79	2.95	8,279	109
1951.....	8.21	232	287	3.54	2.86	7,737	100
1952.....	8.45	229	296	3.69	2.85	8,104	103
1953.....	8.55	219	308	3.90	2.78	8,485	106
1954.....	8.55	218	308	3.92	2.78	8,207	101
1955.....	8.42	212	323	3.97	2.61	8,399	102
1956.....	8.59	212	339	4.05	2.53	8,904	106
1957.....	8.97	218	350	4.11	2.56	8,734	102
1958.....	9.08	230	354	3.95	2.56	9,030	104
1959.....	9.14	219	368	4.17	2.48	9,182	103

¹ Unusually large distribution during 1941 resulted in building up of the "invisible" supply carried over in 1942 and a considerable amount of sugar distributed during 1941 was actually consumed during 1942.

A comparison of current retail prices in the United States with those in other countries points up the fairness of sugar prices to American consumers and the effectiveness of our program under the Sugar Act. Such a comparison of prices is included in a study recently published by the Food and Agriculture Organization of the United Nations in its Monthly Bulletin of Agricultural Economics and Statistics for January 1960. This report shows that the average retail price of sugar in the United States—11 cents a pound in 1957, when the study was begun—is nearly 5 cents below the median price in 121 nations around the globe.

Measuring the retail price of sugar on the basis of wage rates, sugar prices in the United States are the lowest in the world. Two independent studies, one by the National Industrial Conference Board and one by the FAO, referred to above, show that an American workman needs to spend less time at his job than a workman in any other nation in order to earn enough money to buy a pound of sugar. Table 7 is from the study conducted by the FAO. It shows that in 1946, a bricklayer in the United States needed to work only 4 minutes to buy 1 kilogram (2.2 pounds) of sugar. In contrast, a kilo of sugar took 20 minutes' work in the United Kingdom, 24 minutes in France, 34 minutes of work in the Netherlands, and 82 minutes of work in Italy. Not shown on the table is the U.S.S.R., where it takes an estimated 324 minutes of work to buy a kilogram of sugar.

TABLE 7.—*Sugar—Worktime cost of sugar and order of consumption, worktime cost and money cost, in specified countries, 1956*

Countries	Currency	October 1956		Worktime cost (minutes)	Consumption order ¹	Worktime cost order	Money cost order (U.S. dollars)
		Hourly wage for bricklayers	Retail price of sugar in national currency				
United States	dollars ..	3.65	0.233	4	53	1	38
Canada	do	2.26	.205	5	50	2	27
Sweden	krona ..	9.74	1.18	7	49	3	40
Union of South Africa	pence ..	88.50	11.02	8	42	4	8
Denmark	øre	678.00	106.50	9	56	5	13
Norway	kroner ..	7.20	1.18	10	51	6	17
Iceland	do	21.89	3.59	10	57	7	33
Australia	pence ..	113.00	20.13	11	54	8	21
Israel	prutot ..	1,178.00	270.00	13	30	9	11
Malta	pence ..	22.60	5.04	13	38	10	1
New Caledonia	franc ..	75.00	16.00	13	45	11	41
Netherlands Antilles	florins ..	1.50	.40	16	36	12	26
Uruguay	peso	2.15	.56	15	40	13	10
New Zealand	pence ..	72.20	19.47	16	52	14	35
Switzerland	franc ..	3.17	.94	18	47	15	34
Ireland	pence ..	51.50	15.43	18	48	16	16
British Guiana	cent	49.00	16.53	20	43	17	3
United Kingdom	shilling ..	4.29	1.43	20	55	18	28
Chile	peso	120.00	43.60	22	29	19	2
Argentina	do. ² ..	10.00	4.00	24	33	20	6
France	franc ³ ..	252.00	100.60	24	26	21	46
Fiji	pence ..	23.00	9.92	26	35	22	5
Belgium	franc ..	23.58	10.85	27	28	23	30
Cyprus	piaster ..	28.30	13.04	28	21	24	23
Trinidad	cent ² ..	44.00	21.40	29	37	25	7
Malaya	do	113.00	58.00	31	25	26	22
Germany, West	mark	2.31	1.24	32	27	27	47
Morocco	franc ..	175.00	94.00	32	34	28	43
Jamaica	shilling ² ..	2.41	1.33	33	31	29	19
Netherlands	florin ..	1.37	.78	34	46	30	24
Finland	markka ..	164.00	100.40	37	44	31	57
Grenada	cent	50.00	32.00	38	32	32	20
Lebanon	piaster ..	100.00	65.00	39	18	33	29
Guatemala	centavo ..	25.00	17.40	42	23	34	15
Mauritius	cent	66.00	46.00	42	41	35	4
Tunisia	franc ..	116.20	92.00	47	20	36	42
Austria	schilling ..	7.45	5.96	48	39	37	36
Taiwan	dollar ..	5.50	4.50	49	12	38	25
Hong Kong	do	1.10	.97	53	24	39	14
French West Africa	franc ..	59.40	53.50	54	9	40	48
Spain	peseta ..	12.00	11.00	55	13	41	45
Portugal	escudo ..	5.44	5.30	58	16	42	18
St. Lucia	cent	27.50	26.50	58	22	43	12
Paraguay	guarani ..	13.80	14.00	60	15	44	9
Nigeria	pence ..	18.00	18.74	62	1	45	31
Sierra Leone	do	18.30	19.86	65	6	46	37
Japan	yen ³ ..	125.00	137.33	66	14	47	52
Italy	lire	193.00	263.00	82	17	48	55
Vietnam	piaster ..	9.87	14.50	88	5	49	54
Madagascar	franc ..	41.00	60.00	88	7	50	51
Cameroons (French administration)	do	38.00	60.00	95	2	51	50
Belgian Congo	do	6.60	11.00	100	3	52	32
Pakistan	rupee ² ..	.69	1.21	105	10	53	44
Greece	drachma ..	6.42	11.56	108	11	54	53
French Equatorial Africa	franc ..	35.00	74.00	127	4	55	56
Thailand	baht	2.15	4.63	129	8	56	39
Ceylon	rupee ⁴ ..	.57	1.48	156	19	57	49

¹ Including noncentrifugal sugar at 60 percent of the actual weight for Malaya, Guatemala, Taiwan, Japan, Vietnam, Pakistan, and Thailand.

² Carpenters.

³ Transport drivers.

⁴ The relation of bricklayers' wages to other wages in Ceylon seems to be different from those in almost all other countries; this makes the data questionable.

THE WORLD MARKET AND WORLD PRICE OF SUGAR

With the recent interest that has focused on the Sugar Act, there is obviously a widespread and unfortunate misunderstanding about the price paid for Cuban sugar and domestic sugar on the U.S. market, and the price of sugar on the so-called world market. The very use of the terms "world price" and "world market" are a misleading use of words. Only about 12 percent of the world's sugar production is traded on the misnamed "world market." This is essentially unwanted sugar and the trading in this small part of the world's sugar supply cannot and does not establish a true world price or reflect the actual value of sugar.

World consumption of sugar now amounts to about 52 million tons a year. Of this amount, some 38 million tons are consumed in the countries where it is produced. In nearly all instances, as in the United States, because of the essentiality of the product it is produced under some kind of national control, bounty, or subsidy system. This leaves 14 million tons to be consumed outside the countries of production. Of this 14 million tons 8 million tons are traded under the terms and provisions of special systems, including the British Commonwealth sugar system, the French sugar program and the U.S. sugar program. This leaves only 6 million tons for trading in the so-called world market.

In the truest sense of the word, this sugar is homeless sugar; it has no specific place to go. It is traded on a "residual market." Since it is a residual market, and since world production usually tends to exceed world consumption, it is also normally a very depressed market. However, because of the very character of this so-called world market, it is an extremely volatile market reacting violently to international tensions or to changes in supply and demand. For example, during the disturbed situation brought on by the Suez crisis and the events in Hungary 3 years ago, the price on this market nearly doubled in 60 days. Throughout the latter half of 1950 and almost all of 1951, this so-called world price was higher than the U.S. price, reaching a differential above the U.S. price of 1.85 cents per pound in June 1951. A similar situation prevailed in the 1957 period above referred to when the world price went from \$2.07 per hundred pounds below the U.S. price in October 1956 to \$1.34 above the U.S. price in April 1957.

The assumption, therefore, that the United States could buy its sugar cheaper on the world market than it is obtaining it under the Sugar Act is not necessarily valid. Not only would American consumers be the victims of the wild price fluctuations and supply uncertainties of the world sugar market, that market might very well be higher than the existing American price under our quota system for two reasons: (1) Our domestic sugar production would drop substantially (possibly even disappear) without the protection and benefit of the Sugar Act; and (2) our annual consumption of sugar is greater than the normal residual in the so-called world market and the competition of the United States in this world market would almost inevitably result in a very sharp increase in the so-called world price.

Table 8 shows how thin this so-called world market is. It shows the total carryover of sugar in all major producing areas from one crop to the next for the past 10 years.

TABLE 8.—*Stocks of centrifugal sugar, beginning of new grind, in selected countries, seasons 1950-51 to 1959-60*

[1,000 short tons, raw value]

Country	Date ¹	Sugarmaking season									
		1950-51	1951-52	1952-53	1953-54	1954-55	1955-56	1956-57	1957-58	1958-59	1959-60 ²
Indonesia	May 1				0	38	40	39	29	25	50
Union of South Africa	May 1	29	20	54	64	46	46	50	34	74	116
Argentina	June 1				23	142	219	107	62	24	368
Brazil	June 1	150	160	184	286	256	255	180	441	424	622
Australia	July 1	107	119	104	132	188	135	158	195	157	189
Belgium	Oct. 1	51	29	55	38	39	21	24	15	24	41
Denmark	Oct. 1	7	8	14	18	74	14	21	25	33	130
France	Oct. 1	51	63	126	54	256	225	103	78	88	147
Netherlands	Oct. 1	59	89	45	33	49	24	34	91	80	160
Philippines	Oct. 1	35	36	30	46	85	173	148	82	98	232
Dominican Republic	Nov. 1	11	30	38	40	147	103	158	20	93	209
India	Nov. 1	105	219	604	235	69	689	663	550	403	150
Mexico	Nov. 1	63	161	217	266	268	347	150	295	337	506
Taiwan	Nov. 1	³ 66	³ 36	66	76	53	71	176	116	83	155
Cuba	Jan. 1	327	322	2,322	⁴ 1,671	2,142	1,786	⁴ 727	⁴ 852	⁴ 777	⁴ 1,554
Haiti	Jan. 1	1	1	2	3	1	5	3	1	3	8
Peru	Jan. 1	70	108	98	112	117	87	143	95	129	99
Total		1,132	1,401	3,959	3,097	3,970	4,240	2,884	2,981	2,852	4,736

¹ All stock carryover dates, except for Jan. 1, apply to the 1st year mentioned at the head of each column.² Preliminary.³ Probably Oct. 1.⁴ Cuba stocks include prior shipments under bond in the United States for quota charge in the following calendar year as follows: 1953-54, 31,000 tons; 1956-57, 24,000 tons; 1957-58, 102,000 tons; 1958-59, 174,000 tons; 1959-60, 206,000 tons.

Source: Foreign Agricultural Service—prepared or estimated on the basis of official statistics of foreign governments, other foreign source materials, reports of U.S. agricultural attachés and Foreign Service officers, results of office research and related information.

THE "QUOTA PREMIUM"

The difference between the so-called world price and the U.S. price has on occasions been called the quota premium, or more popularly the subsidy in our sugar program. This approach is carried even further to say that the amount of protection or subsidy involved in the American sugar program is the amount of the difference between the two prices, multiplied by the amount of sugar purchased. This is an exaggerated statement of the protection afforded by the Sugar Act and is such an oversimplification of a basically complicated economic situation as to be misleading. It is obvious that the amount of quota premium or subsidy, if one exists, is not the difference between the U.S. price and the so-called world price with the Sugar Act in effect, it is the difference between the price received by supplying areas for their sugar now and the price they would receive if we had no sugar program.

Even under the orderly marketing system brought about by our Sugar Act, it is obvious that this so-called quota premium has not been a one-way street. The U.S. price has not always been above the so-called world price for Cuban sugar but our supplies have continued uninterrupted. Table 9 shows this relationship on a yearly average basis from 1934 through 1947. Table 10 shows the same relationship, in slightly different form, by months for the years 1948-59.

During the war and immediate postwar years of the 1940's, the United States purchased virtually the entire Cuban sugar production. As is indicated by the last column on table 9, we obtained this sugar (and also the sugar purchased from domestic producing areas) at substantially less than the world price. Table 10 shows the months during the Korean conflict and during the Suez incident when the world price was higher than the U.S. price.

TABLE 9.—*Quota premiums and discounts: Comparison of Cuban price, per pound, of sugar for shipment to United States and world market, annual average, 1934-47*

[Cents]

Year and month	U.S. price c.i.f. basis New York	Freight and insurance, Cuba to New York	Price for shipment to—		Difference, U.S. price from world price
			United States	World market	
1934-----	1.50	0.13	1.37	0.91	0.46
1935-----	2.33	.12	2.21	.88	1.33
1936-----	2.69	.13	2.56	.88	1.68
1937-----	2.54	.19	2.35	1.13	1.22
1938-----	2.04	.14	1.90	1.00	.90
1939-----	1.91	.17	1.74	1.43	.31
1940-----	1.89	.22	1.67	1.11	.56
1941-----	2.48	.39	2.09	1.46	.63
1942-----	2.99	.51	2.48	2.69	-.21
1943-----	2.99	.53	2.46	2.69	-.23
1944-----	2.99	.40	2.59	2.69	-.10
1945-----	3.00	.35	2.65	3.14	-.49
1946-----	3.86	.44	3.42	4.24	-.82
1947-----	5.46	.49	4.97	5.03	-.06

TABLE 10.—*Quota premiums and discounts—Comparison of Cuban price of raw sugar for shipment to United States and to world markets, f.a.s. Cuba, cents per pound*

Year	January	February	March	April	May	June	July	August	September	October	November	December	Monthly average
For shipment to United States													
1948	4.68	4.57	4.50	4.45	4.25	4.44	4.79	4.87	4.78	4.77	4.80	4.75	4.64
1949	4.78	4.72	4.77	4.73	4.89	4.97	4.96	5.05	5.20	5.21	5.12	4.94	4.94
1950	4.91	4.75	4.70	4.68	4.87	4.95	5.22	5.39	5.40	5.41	5.38	5.39	5.09
1951	5.12	4.95	4.92	4.86	5.38	5.53	5.29	5.03	5.02	4.94	4.98	4.78	5.07
1952	4.82	4.79	5.18	5.33	5.29	5.53	5.61	5.58	5.67	5.72	5.55	5.17	5.35
1953	5.19	5.31	5.45	5.45	5.46	5.52	5.56	5.55	5.59	5.57	5.29	5.15	5.43
1954	5.15	5.18	5.29	5.28	5.22	5.28	5.32	5.23	5.14	5.11	5.25	5.02	5.21
1955	5.01	5.00	4.91	4.91	5.04	5.10	5.08	5.06	5.02	5.03	4.94	4.87	5.00
1956	4.93	4.94	5.01	5.01	5.01	5.01	5.10	5.10	5.11	5.31	5.34	5.34	5.10
1957	5.31	5.07	5.15	5.12	5.41	5.59	5.52	5.24	5.30	5.36	5.27	5.30	5.30
1958	5.31	5.31	5.18	5.35	5.41	5.41	5.43	5.42	5.52	5.59	5.46	5.55	5.41
1959	5.27	5.13	4.97	5.01	5.38	5.41	5.41	5.51	5.65	5.66	-----	-----	-----
For shipment to world													
1948	3.96	4.24	4.26	4.43	4.27	4.06	4.10	4.41	4.39	4.32	4.27	4.03	4.23
1949	4.00	3.95	4.17	4.09	4.04	4.08	4.13	4.20	4.19	4.33	4.33	4.39	4.16
1950	4.62	4.47	4.44	4.37	4.21	4.21	4.89	5.83	5.88	5.84	5.58	5.36	4.98
1951	5.22	4.96	5.48	5.57	6.62	7.41	6.75	5.61	5.52	5.28	4.83	4.84	5.67
1952	4.54	4.38	4.30	4.30	4.24	4.17	4.16	4.05	4.00	4.01	4.00	3.84	4.17
1953	3.55	3.52	3.27	3.38	3.65	3.62	3.60	3.53	3.29	3.15	3.10	3.27	3.41
1954	3.30	3.39	3.28	3.36	3.32	3.27	3.13	3.18	3.21	3.25	3.26	3.19	3.26
1955	3.17	3.17	3.22	3.31	3.38	3.26	3.22	3.22	3.27	3.28	3.19	3.16	3.24
1956	3.26	3.28	3.34	3.31	3.36	3.36	3.40	3.34	3.24	3.24	3.92	4.77	3.48
1957	5.83	5.80	6.17	6.46	6.02	6.12	5.27	4.13	4.55	4.03	3.63	3.87	5.16
1958	3.74	3.55	3.42	3.45	3.47	3.42	3.50	3.46	3.48	3.41	3.42	3.64	3.50
1959	3.27	3.11	3.05	2.88	2.94	2.81	2.66	2.78	3.09	3.14	-----	-----	-----
Difference—U.S. price from world price													
1948	+ .72	+ .33	+ .24	+ .02	— .02	+ .38	+ .69	+ .46	+ .39	+ .45	+ .53	+ .72	+ .41
1949	+ .78	+ .77	+ .60	+ .64	+ .85	+ .89	+ .83	+ .85	+ 1.01	+ .88	+ .79	+ .55	+ .78
1950	+ .29	+ .28	+ .26	+ .31	+ .66	+ .74	+ .33	— .44	— .48	— .43	— .20	+ .03	+ .11
1951	— .10	— .01	— .56	— .71	— 1.24	— 1.85	— 1.46	— .58	— .50	— .34	+ .15	— .06	— .60
1952	+ .28	+ .41	+ .88	+ 1.03	+ 1.05	+ 1.36	+ 1.45	+ 1.53	+ 1.67	+ 1.71	+ 1.55	+ 1.33	+ 1.18
1953	+ 1.64	+ 1.79	+ 2.18	+ 2.07	+ 1.81	+ 1.90	+ 1.96	+ 2.02	+ 2.30	+ 2.42	+ 2.19	+ 1.88	+ 2.02
1954	+ 1.85	+ 1.79	+ 2.01	+ 1.92	+ 1.90	+ 2.01	+ 2.19	+ 2.05	+ 1.93	+ 1.86	+ 1.99	+ 1.83	+ 1.95
1955	+ 1.84	+ 1.83	+ 1.69	+ 1.60	+ 1.66	+ 1.84	+ 1.86	+ 1.84	+ 1.75	+ 1.75	+ 1.75	+ 1.71	+ 1.76
1956	+ 1.67	+ 1.66	+ 1.67	+ 1.70	+ 1.65	+ 1.65	+ 1.70	+ 1.76	+ 1.87	+ 2.07	+ 1.42	+ .57	+ 1.62
1957	— .52	— .73	— 1.02	— 1.34	— .61	— .53	+ .25	+ 1.11	+ .75	+ 1.33	+ 1.64	+ 1.43	+ .14
1958	+ 1.57	+ 1.76	+ 1.76	+ 1.90	+ 1.94	+ 1.99	+ 1.93	+ 1.96	+ 2.04	+ 2.18	+ 2.04	+ 1.91	+ 1.91
1959	+ 2.00	+ 2.02	+ 1.92	+ 2.13	+ 2.44	+ 2.60	+ 2.75	+ 2.73	+ 2.56	+ 2.52	-----	-----	-----

1st 15 days.

BENEFITS TO DOMESTIC PRODUCERS

Table 11 shows the details of the manner in which the Sugar Act has achieved one of its three basic objectives—that of assuring, as a matter of national security, the production of a substantial portion of our sugar requirements in domestic areas. This table shows, by areas, for the years 1955 through 1959 the acreage, production, and deliveries of sugar, the extent to which the various areas have filled their assigned quotas, and the rate of Sugar Act payments to producers in those areas.

TABLE 11.—*Selected data for domestic sugar producing areas, on acreage, production, quotas, and payments, 1955-60*

[All tons are raw value]

Domestic area and crop year	Acreage ¹ harvested for sugar	Yields sugar per acre harvested	Production of sugar	Quota charges	Unfilled quota		Jan. 1 effective inventory	Rate of Sugar Act payments per ton of sugar
					Basic	Adjusted		
	<i>Thousands of acres</i>	<i>Tons</i>	<i>Thousands of tons</i>	<i>Tons</i>	<i>Tons</i>	<i>Tons</i>	<i>Thousands of tons</i>	<i>Dollars</i>
Sugar beet:								
1955-----	744	2.33	1,730	1,797,327	2,673	2,673	1,628	\$16.82
1956-----	789	2.50	1,971	1,955,252	0	149	1,547	15.87
1957-----	882	2.51	2,213	2,065,687	0	5,007	1,529	16.43
1958-----	895	2.47	2,214	2,239,852	0	² 102,636	1,669	16.42
1959-----	901	2.57	2,313	2,242,188	0	25,477	1,640	16.36
1960 estimate-----	950	2.53	2,400				1,709	16.36
Mainland sugar cane:								
1955-----	267	2.14	572	499,623	377	377	396	13.30
1956-----	233	2.39	557	601,369	0	327	465	13.16
1957-----	259	2.05	531	635,685	0	1,487	346	13.67
1958-----	253	2.28	578	680,552	0	40,253	244	12.78
1959-----	290	2.11	612	578,217	50,582	119,566	140	13.40
1960 estimate-----	310	2.26	700				175	13.40
Puerto Rico:								
1954-55-----	361	3.23	³ 1,165	1,079,562	438	438	163	13.92
1955-56-----	353	3.26	³ 1,152	1,134,769	5,484	6,329	138	13.85
1956-57-----	362	2.73	990	912,571	224,416	7,429	44	11.83
1957-58-----	333	2.80	934	823,034	343,341	0	6	14.47
1958-59-----	364	2.98	1,087	957,580	234,918	12,295	7	13.68
1959-60 estimate-----	354	2.97	1,050				8	14.14
Hawaii:								
1955-----	106	10.75	1,140	1,052,004	0	0	6	9.24
1956-----	107	10.28	1,100	1,091,282	0	23	49	9.25
1957-----	107	10.17	1,085	1,036,763	50,610	23,237	14	9.26
1958-----	84	9.10	765	630,175	536,200	69,825	18	9.71
1959-----	110	8.86	975	976,852	215,646	1,118	114	9.25
1960-----	110	8.86	975				80	9.25
Virgin Islands:								
1955-----	5	2.14	10	9,942	2,058	2,058		13.28
1956-----	5	2.69	13	12,535	3,014	0		12.97
1957-----	5	3.02	15	14,753	772	0		12.80
1958-----	4	1.36	6	6,083	9,812	7		20.16
1959-----	4	2.98	12	12,302	3,959	103		13.11
1960 estimate-----	4	1.90	8					13.05
All domestic area:								
1955-----	1,483	3.11	4,617	4,433,458	5,542	5,542	2,193	13.77
1956-----	1,487	3.22	4,753	4,755,207	6,293	6,293	2,159	13.54
1957-----	1,615	2.99	4,834	4,675,459	122,291	37,170	1,933	14.18
1958-----	1,569	2.87	4,497	4,379,706	531,794	² 204,687	1,937	14.41
1959-----	1,669	3.00	4,999	4,767,139	254,361	158,559	1,901	14.02
1960 estimate-----	1,728	2.97	5,133				1,972	14.15

¹ National acreage allocations in years when production was restricted with acreages planted in parentheses were as follows: Domestic beet sugar area: 1955, 870 (793); 1956, 850 (823); 1957, 950 (912); 1958, 935 (927); 1959, 925 (921); 1960, 985. Mainland cane sugar area (for sugar and seed) 1955, 299 (285); 1956, 259 (253); 1957, 296 (284); 1958, 292 (277); 1959, 314 (314); 1960, 336 (336).

² 50,000 tons reallocated to Cuba Nov. 13, 1958, but included in this figure.

³ Individual farm proportionate share established in hundredweight of sugar totaled 1,214,000 tons for 1954-55 crop and 1,222,000 tons for 1955-56 crop.

HISTORY AND OPERATION OF THE UNITED STATES SUGAR PROGRAM

The Department of Agriculture, which administers the Sugar Act, has prepared and revised from time to time an excellent description and analysis of the U.S. sugar program from the earliest efforts toward such a program up to the present time. It explains in detail the provisions and the operations of the Sugar Act of 1948, as amended, which is by this bill extended for 1 year. The latest revision of this statement appeared in the November 1959 issue *Sugar Reports*, published monthly by the Department of Agriculture.

Although there is some slight duplication with the explanation of the sugar program which has appeared earlier in this report, the committee believes that this subject is of such importance to Members of Congress and to the public generally that it is incorporating there, as part of this report, the Department of Agriculture document above referred to.

THE SUPPLY AND DISTRIBUTION SYSTEM

Since the end of sugar rationing in the fall of 1947, sugar deliveries for consumption in the continental United States have tended to increase with the population growth and to be stable on a per capita basis. While annual per capita deliveries fluctuated from 94 to 102 pounds of refined sugar in response to such extraneous factors as the Korean conflict and the Hungarian and Suez crises, the 3-year moving average rate of annual deliveries fluctuated only between 96 and 97 pounds.

Total annual distribution averaged about 8.9 million short tons, raw value,¹ during the latest 3-year cycle; this is equal to about 8.3 million tons of refined sugar. The domestic areas, in total, have been accorded the right to supply approximately 53 percent of the requirements of the continental United States. Cuba furnishes about one-third of our needs and the Philippines about 11 percent. About 3 percent is imported from other foreign countries. More than half of the domestically produced sugar is supplied by the mainland cane and beet areas. The remainder comes from Hawaii, Puerto Rico, and a small fraction from the Virgin Islands.

Our supply areas are sufficiently scattered to assure, in the aggregate, a dependable source of supply. There is seldom a year when drought or other natural disaster causes serious crop damage in more than one or two of these areas. This wide dispersion of our sources of supply would also be a protection in case of war.

In the continental United States, sugar beets are produced in 22 Western and North Central States. The most important beet producing states are California, Colorado, and Idaho. Sugarcane is grown in a number of Southeastern and South Central States, but only Louisiana and Florida produce cane for the manufacture of sugar. Cane produced elsewhere is used to make sugarcane sirup.

Most sugar from cane goes through two stages of processing to produce the refined sugar commonly used in American households. The first process, that of extracting, boiling, and otherwise processing the cane juice, is conducted in the producing area in raw canesugar mills. The products obtained are raw sugar, usually in crystalline form and various byproducts such as blackstrap molasses and bagasse. Raw sugar and blackstrap molasses can be used directly without further refining—raw sugar for curing tobacco, for instance, and molasses for cattle feed and the manufacture of ethyl

¹ "Raw value" is the term used in the Sugar Act for expressing in a common unit the various types of raw and refined sugars that move in commerce. One ton of refined sugar equals 1.07 tons of sugar, raw value.

alcohol, yeast, vinegar, and citric acid. Bagasse, the fibrous portion of cane, is used principally as fuel in the cane mills and as raw material in the manufacture of building board, cardboard, and paper.

Most of the cane sugar brought to the mainland from offshore areas, both foreign and domestic, is in the raw form. It is put through the second process—the refining process—in refineries, most of which are located in large port cities. A few refineries, however, are located in producing areas and some are located at interior points of consumption. Refined sugars, refiners' sirups, and refiners' blackstrap molasses result from this second process.

In contrast to cane sugar, refined sugar from beets is processed in a single plant. The principal byproducts are beet molasses and beet pulp. The pulp is used for cattle feed. Beet molasses, like blackstrap, is used as an ingredient in cattle feed, and in the manufacture of yeast and citric acid. A substantial quantity of beet molasses is put through the Steffen's process for additional extraction of sugar. The resultant Steffen's waste is used to produce monosodium glutamate, a condiment.

In the domestic areas, 64 beet sugar factories, 108 cane sugar mills, and 33 refineries were in operation in 1958; 13 of the latter were operated as part of or in connection with cane sugar mills. These establishments represent an investment in land, plant, and equipment of approximately two-thirds of a billion dollars. Approximately 63,000 workers are employed in the plants.

About 77,000 producers grow cane or beets. About 240,000 farmworkers are required, mostly on a seasonal basis, to cultivate and harvest the cane and beets. During the early years of this decade, about 300,000 farmworkers were required.

OUR NATIONAL SUGAR POLICY, ITS HISTORY AND DEVELOPMENT

Since the passage of the first Sugar Act in 1934, the sugar policy of the United States has been to maintain a healthy domestic industry of limited size; to promote our general export trade; and to assure adequate sugar supplies to consumers at reasonable and stable prices. This policy did not take shape overnight but emerged after 145 years of congressional decisions and actions affecting the course of the sugar industry.

Tariff for revenue, 1789 to 1890

The foundation of the present-day U.S. sugar program was laid down shortly after this country gained its independence. In 1789 the new Nation, seeking means of supporting its Government, imposed the first tariff on raw sugar,² to help raise revenue. At that time and through most of the next century, import duties and domestic excise taxes were the

² The tariff discussion is confined to the tariff on raw sugar, since most of the sugar imported is in raw form. Generally, refined sugar tariffs have been higher than raw sugar tariffs.

major source of Government receipts. The sugar "tariff for revenue" yielded close to 20 percent of all import duties. This duty remained on sugar continuously until 1890, holding at about 2.5 cents a pound during most of the period but ranging from 1 to 3.5 cents.

Although the purpose of the first sugar tariff was to produce money for the Treasury, it also provided considerable market protection to sugarcane growers in Louisiana after that area became a U.S. territory in 1803. The Louisiana industry had reached significant size by 1830. Later, the same protection was granted to Hawaii under the terms of the Reciprocal Treaty of 1876 between the United States and the Kingdom of Hawaii. Under that treaty, Hawaiian sugar was admitted duty free. With this market advantage, and a climate ideally suited to growing sugarcane, Hawaii rapidly expanded sugar production. By the 1890's, the production of sugar had become Hawaii's most important industry dependent principally on market outlets in this country for its prosperity.

The sugar bounty, 1890-94

In 1890, with a surplus in the Treasury, the need to maintain a raw sugar tariff to produce revenue was no longer pressing and the duty, then 2.25 cents a pound, was repealed. The placing of raw sugar on the free list reduced the cost of sugar to consumers but removed tariff protection to domestic producers. Protection, however, was continued in the form of a 2-cent bounty on each pound of sugar domestically produced.

Removal of the tariff and the inauguration of the bounty had an important effect in two producing areas—Hawaii and Cuba. Production in Cuba was stimulated when removal of the tariff further opened the U.S. market. On the other hand, Hawaii was hurt badly, since it lost its preferred position in the American market when the sugar duty was repealed. The price of Hawaiian sugar fell sharply. Hawaiian sugar producers did not receive the bounty. General unrest followed leading to revolt against the monarchy of Queen Liliuokalani in 1893 and the establishment of the Republic of Hawaii in 1894.

Tariff for protection, 1894 to 1934

In 1894, the bounty system was discontinued and a new tariff levied on sugar. However, the primary purpose of the new tariff was not to produce revenue as was formerly the case but to protect the domestic industry which had reached significant size under the first tariff and the bounty. An additional motive was to return Hawaii to its preferred status in our market.

The second sugar tariff program remained in force from 1894 to 1934. The history of the sugar industry during that period is a sequence of stable earnings, wild prosperity, severe but short-lived depression, temporary recovery, and prolonged depression, in that order.

As a result of the Spanish-American War, three potentially heavy sugar-producing areas were added to the areas receiving protection in our market. Free trade was extended to our new possessions, Puerto Rico and the Philippine Islands, and a preferred status was granted to Cuba. Puerto Rico received free trade status in 1901. Tariff aid was given more gradually to the Philippines, but by 1913 Philippine sugar was granted unlimited free entry. Cuba was granted a 20-percent tariff preferential under the Convention of Commercial Reciprocity of 1902.

Production expanded rapidly in these areas with the granting of protection. Cuba and Puerto Rico, like Hawaii, became specialized one-crop areas directly dependent upon the continuation of our protective policy for the livelihood of their people. Sugar also became a mainstay of the Philippine economy, but the industry never reached as dominant a position there as it did in the other areas.

Our beet industry, which got its start under the "tariff for revenue" and the bounty system, also flourished with tariff protection. By the time of World War I, the beet area was supplying almost one-fifth of the sugar marketed in this country.

At the turn of the century slightly more than half of our sugar came from foreign countries other than Cuba. But by 1913 the increase in sugar supplied in the continental United States, in our territories, and in Cuba had pushed practically all other foreign sugar from our market.

In World War I, the Government placed rigid controls on sugar distribution and on prices of refined sugar. In addition, a price guarantee was placed on Cuban sugar and domestic sugar beets to encourage production. The beet area responded to wartime price incentives only to maintain production; but Cuba, where sugar offered the principal means of participating in wartime expansion, greatly increased its production.

After World War I, with the lifting of controls and the prospect of short supplies, sugar became one of the speculative leaders in the worldwide inflationary boom of 1920. The world price of raw sugar reached a monthly average peak of more than 19 cents a pound in May 1920. The bubble soon burst and the price of world sugar dropped to an average of less than 5 cents a pound in December 1920. The depression in world sugar lasted through most of 1922. Toward the end of the year, however, sugar prices began to advance and by 1923 reached a second, but much lower, postwar peak of slightly more than 6.5 cents a pound and ranged between 5 and 6 cents a pound for more than a year.

Many believed that the sugar industry both in this country, and generally throughout the world, had recovered its prewar order and prosperity. Americans especially showed their confidence in the future of sugar by pouring large sums of money into Cuban sugar production.

But the international sugar industry was in for a rude shock. World sugar production began outstripping world demand in 1925. Surpluses accumulated and prices dropped below 1922 levels. The trend in world production continued upward even in the face of mounting surpluses and unprofitable prices. This was partly because of artificial stimulation of beet-sugar production in countries which had historically imported sugar but which desired to become self-sufficient. In addition, there were tremendous improvements in methods of cultivating and processing sugarcane during the 1920's and early 1930's. Except for a slight upturn in 1927, world sugar prices did not improve between 1925 and 1928. In 1929 prices began to decline once more. The situation worsened each year from 1929 to the bottom of the general depression in 1932-33.

The depression in world sugar, in both the early and late 1920's, was felt by domestic producers as well as by producers in the large exporting countries as U.S. prices generally moved with world prices. In 1921, the U.S. price was lower than at any time since 1916, and Congress raised the sugar tariffs. The duty on sugar from Cuba, our principal foreign competitor, was increased in 1921 from 1 to 1.60 cents a pound, and in 1922 to 1.7648 cents a pound. The duty on other foreign sugar was also increased each time so that the Cuban tariff preferential was maintained.

As the world price was firm, these increased duties solved the immediate price problems of domestic producers. In fact when the world price strengthened in 1923 and 1924, consumers complained that the tariffs were forcing the U.S. price too high.

When the world depression in sugar became serious in the late 1928's Congress was asked for still higher tariffs to offset world price reductions. As a result, in 1930 the duty on Cuban sugar was raised to 2 cents a pound and the duty on other foreign sugar was raised to 2.5 cents. However, the bottom was falling out of the world sugar market. By May 1932, the world price of raw sugar dropped to less than 1 cent a pound. The U.S. price followed the world price downward reaching the depression low of less than 3 cents a pound in 1932—the 2-cent duty on Cuban sugar plus the world price and the cost of freight from Cuba.

Although the domestic sugar price was quite low compared with prices in previous years, the duty did hold the price at an irreducible minimum—a guarantee that other agricultural enterprises did not have. The duty-paid price actually permitted production to increase in Hawaii, Puerto Rico, the Philippine Islands, and the beet area.

The increase in production in the beet area was not due to the fact that returns from sugar were high at the going price but only that competing crops promised even lower returns at that time. Technological progress and the effort to offset low prices by increased output caused production to climb in the islands.

It was generally agreed that domestic producers needed higher prices if they were to realize fair returns. On the surface at least, the tariff promised to give sufficient protection to our sugar producers if it were raised high enough. But in the severe depression years of 1932 and 1933 it became clear from two important standpoints that further increases in the tariff would not be a solution to the sugar problem.

First, the stimulus of high tariff protection was already causing overproduction in certain domestic areas, thus offsetting the price benefits of the protection. It was apparent that if the tariff were raised enough to afford adequate returns to growers in the highest cost areas, production in other areas would have been excessively stimulated and our market further crowded.

Second, Cuba's income from sugar had fallen so drastically that changes were needed that would help improve her economy and her trade with the United States. A 20-percent duty preference since 1903 had made Cuba the source of more than 98 percent of the foreign sugar entering the United States. After 1930, imports of sugar from Cuba fell to less than 30 percent of our supply from both domestic and foreign sources and the value of our annual exports to Cuba fell to a low of about 25 millions of dollars after having averaged well over 150 millions for the decade ending in 1930. Tariff increases all over the world had encouraged production in importing countries, reducing the demand for Cuban sugar in other countries, also. As a consequence, Cuba was compelled to cut production substantially. The one crop on which Cuba's livelihood primarily depended was almost unsalable.

During the early months of 1933, the U.S. Tariff Commission made a careful appraisal of the prevailing sugar situation and recommended a program emphasizing supply controls rather than the traditional tariff method of assistance. In a letter to the President of the United States, dated April 11, 1933, the Chairman of the Commission noted the failure of the tariff to solve the sugar problem. He pointed out that the price had declined to disaster levels for both American and Cuban producers; that both the domestic industry and that of Cuba required price relief; that prices should be raised by limiting, through a quota system, the supply of sugar offered for sale in this country; and that if some type of quota system were instituted by this country, the duty on Cuban sugar might be reduced to help restore the purchasing power of Cuba.

The first attempt to develop a new sugar program was made in 1933 by representatives of the sugar industry under authority of the Agricultural Adjustment Act. That act empowered the Secretary of Agriculture to raise farm prices and restore farmers' purchasing power by two methods: (1) By restricting production of "basic" farm commodities and making benefits payments in return for restriction; and (2) by restricting sales of farm products through voluntary

marketing agreements with distributors and processors. Since sugar was not classed as a basic commodity in 1933 (it was a basic commodity from 1934 to 1936), the Secretary asked the various segments of the industry to meet in Washington and work out a plan for improving and stabilizing sugar prices under the voluntary marketing agreement authority of the Agricultural Adjustment Act.

During the summer of 1933, numerous conferences were held by representatives of the industry to develop a marketing agreement for sugar. Many of the sessions were quite stormy owing to the difficulties in settling the differences of the conferees. Any plan that would increase the price of sugar involved cutting supplies placed on the market, and naturally, each area was interested in having the other area do most of the cutting. In September, a plan was submitted to the Secretary of Agriculture for his approval. The plan was called the stabilization agreement and was designed to accomplish stabilization in four ways: (1) The fixing of minimum prices for raw sugar; (2) the limiting of total deliveries of sugar to the U.S. market and the allocation of a share of the market to each domestic and foreign producing area through a quota system; (3) the limiting of production in each domestic area to fit the marketing quotas; and (4) the prohibition of so-called unfair methods of competition, such as secret rebates, concessions, and price discounts, among the distributors of sugar.

After considering the stabilization agreement the Secretary concluded that the plan was unworkable on the grounds that it would tend to increase rather than remove the disparity in agriculture's purchasing power. The Government further indicated that "no effective control of production was contemplated" under the plan. Another objection to the plan was that it did not provide for a reduction in the Cuban tariff nor, the Government believed, adequate sharing of our market with Cuba.

The Sugar Stabilization Agreement did not go into effect. But its formulation made possible the later enactment of the first sugar legislation, the Jones-Costigan Act. In developing the plan the industry had, for the first time, gotten together, thrashed out its problems, and agreed on such controversial matters as the need for balancing supplies with demand and of assigning under a quota system a portion of the market needs to each area.

When the stabilization agreement was rejected, the Government used the plan as a starting point and drafted a new set of proposals. These proposals were recommended by the President to Congress for legislative action in early 1934. On May 9 of that year, the President approved the Jones-Costigan Act which included most of the President's recommendations. Succeeding sugar legislation has carried forward the basic philosophy underlying the Jones-Costigan Act.

THE SUGAR ACTS, 1934-59

The Jones-Costigan Act, an amendment to the Agricultural Adjustment Act, contained six principal features for dealing with the sugar problem. These were (1) the determination each year of the quantity of sugar needed to supply the Nation's requirements at prices reasonable to consumers and fair to producers; (2) the division of the U.S. sugar market among the domestic and foreign supplying areas by the use of quotas and subordinate limitations on offshore direct consumption sugar; (3) the allotment of these quotas among the various processors in each area; (4) the adjustment of production in each area to the established quotas; (5) the levying of a tax on the processing of sugarcane and sugar beets, to proceeds of which to be used to make payments to producers to compensate them for adjusting their production to marketing quotas to augment their income; and (6) the equitable division of sugar returns among beet and cane processors, growers, and farmworkers.

The act remained unchanged until early 1936 when the Supreme Court ruled that a tax on processors of agricultural commodities was unconstitutional when used as a device to control production. In view of this decision, Congress repealed the provisions of the act permitting the imposition of processing taxes and the making of production control contracts between the Government and growers. But the quota and allotment system remained in effect.

The repeal of the processing tax and payment provisions of the Jones-Costigan Act was considered crippling to the sugar program by the Government and others interested in the program because it removed the incentive to growers for holding production in line with quotas. Therefore, in the following year, the President recommended that Congress enact new legislation embodying, in general, the principles of the earlier legislation. This recommendation resulted in the enactment of the Sugar Act of 1937. To meet the objections of the Supreme Court to the old processing tax, the new excise tax was not related to Government payments to growers. The new act authorized the Secretary of Agriculture to make such payments out of the Treasury from funds appropriated for this purpose.

The Sugar Act of 1937 was originally scheduled to expire in 1940. However, it was extended to 1941, then from 1941 to 1944, from 1944 to 1946, and again from 1946 through December 31, 1947. The quota limitations were lifted by Presidential proclamation from September 11 to December 31, 1939, because of scare buying after the outbreak of war in Europe. They were again lifted by the President from April 1942 through 1947 during this country's war emergency.

The Sugar Act of 1948 superseded the 1937 act and extended the sugar program through December 31, 1952. The new legislation did not change the basic objectives of the

Sugar Act of 1937 but it did change the method of establishing quotas. In the 1937 act, a fixed percentage of the estimated requirements was assigned to each domestic and foreign area. The Sugar Act of 1948, however, assigned fixed quantities to domestic areas and the Philippines and variable quotas to Cuba and "other foreign countries" by distributing the balance of our requirements to these countries on a percentage basis. This gave the benefit of our increased consumption largely to Cuba. Also, it was known that the Philippines would have large sugar deficits for several years, and 95 percent of these were assigned to Cuba.

This country felt obliged to help Cuba to market its record crop in the face of anticipated decline in world demand. We had strongly urged Cuba to increase production during World War II to help make up the loss of Philippine sugar and to supply the needs of our war emergency. Cuba responded to the request, and marketed a large part of its output to this country at prices far below those prevailing in the world free market.

In 1951, Congress again reviewed the sugar program and the need for continuing protection for the domestic industry through special legislation after December 31, 1952, when the Sugar Act of 1948 was due to expire. In September 1951, the Sugar Act of 1948 was amended and extended from January 1, 1953, to December 31, 1956.

Amendments to the act primarily concerned quotas. The Puerto Rican quota was increased from 910,000 tons to 1,080,000 tons and the Virgin Islands quota from 6,000 to 12,000 tons. Participation of Cuba and other foreign countries in the overall variable quota was changed somewhat. Other foreign countries were granted 4 percent of the overall variable quota instead of 1.36 percent as provided in the unamended act. Cuba's share was set at 96 percent. A liquid sugar³ quota was assigned to the British West Indies in addition to the quotas previously allotted to Cuba and the Dominican Republic. In addition, some revisions were made in the method of reassigning among other areas the unfilled portion or deficit in the quota of a particular area.

In May 1956, the Sugar Act of 1948 was again amended and extended to December 31, 1960. The amendment restores to the domestic areas participation in the growth of our sugar market. Beginning in 1956 market growth in excess of 8,350,000 tons is shared 55 percent by domestic areas and 45 percent by foreign countries. The first 165,000 tons of increased quotas for domestic areas are assigned 51.5 percent to the domestic beet area and 48.5 percent to the mainland cane area; the next 20,000 and 3,000 tons are assigned to Puerto Rico and the Virgin Islands, respectively, and increases in excess of 188,000 tons are apportioned among all domestic areas on the basis of quotas then in

³ Liquid sugar is defined as noncrystalline sugar containing nonsugar solids (excluding any foreign substances that may have been added or developed in the product) equal to not more than 6 percent of total soluble solids. This is exclusive of sirup of cane juice produced from sugarcane grown in the continental United States.

effect for each domestic area. The increase in quotas for foreign countries other than the Republic of the Philippines resulting from market growth in excess of 8,350,000 tons is assigned in the ratio of 43.2 percent to Cuba and 1.8 percent to all other such foreign countries in 1956, and 29.59 percent and 15.41 percent, respectively, in 1957 and each subsequent year. The quota for the Republic of the Philippines remains unchanged throughout the extension of the act. Deficits in that part of any domestic area quota which pertains to sugar requirements in excess of 8,350,000 tons are prorated to the other domestic areas only. As in the past, Cuba shares in the proration of domestic area deficits resulting from the inability of any domestic area to market the portion of its quota pertaining to sugar requirements up to 8,350,000 tons. In addition to other amendments of an administrative or technical nature, there are also some changes in the provisions for the limitation of direct consumption sugar entry within the offshore quotas.

The aims of sugar legislation

The preamble of the Sugar Act of 1948, as amended, states that its purpose is "to regulate commerce among the several States, with the territories and possessions of the United States, and with foreign countries; to protect the welfare of consumers of sugars and of those engaged in the domestic sugar-producing industry; to promote the export trade of the United States; and for other purposes." Stated more directly, the act is designed to maintain a healthy and competitive domestic sugar industry of limited size; to assure adequate sugar supplies to consumers at reasonable prices; and to promote our general export trade. Previous legislation had the same basic purposes.

How the act works

Determining the sugar needs of consumers.—Title II of the act, called Quota Provisions, requires the Secretary of Agriculture to determine how much sugar will be needed to fill U.S. requirements during each calendar year. The Secretary must make his determination in December for the following year, but he may revise it up or down during the year if the needs change. The sugar determination establishes the quantity of sugar in short tons, raw value, that may be marketed in the United States during the year under consideration.

In making his initial estimate the Secretary uses as a starting point the quantity of sugar distributed during the 12-month period ended October 31 next preceding the calendar year for which the determination is being made. Then he must make allowances for deficiencies or surpluses in the Nation's sugar inventories and for changes in consumption caused by changes in population, and demand conditions. When the Secretary has arrived at a tentative figure, using the standards outlined above, he must then consider the price that this quantity of sugar would likely

bring on a wholesale refined basis. If the estimated sugar price will be excessive to consumers or too low to protect the welfare of the domestic industry, the Secretary is authorized to increase or decrease the determination of the quantity of sugar that may be marketed to achieve a fair and reasonable price.

Since the war, the Secretary has held a public hearing each year at which all interested persons—industrial users, and other consumers, distributors, refiners, beet and cane processors, and growers—may present views or arguments on the matter. This meeting is usually held in November each year, a few weeks before the requirements determination in December. Written statements may also be submitted for the Secretary's consideration.

The Secretary must also determine requirements for local consumption in Hawaii and Puerto Rico so that the general price and marketing objectives will be the same in all American markets.

Establishing quotas to domestic and foreign producing areas.—After the Secretary has determined requirements, each domestic and foreign producing area supplying this country with sugar is assigned a quota representing its share of the market.

Under the 1948 act, as amended, fixed quotas totaling 4,444,000 short tons, raw value, are established for the domestic sugar-producing areas. In addition, 55 percent of U.S. sugar requirements in excess of 8,350,000 tons are shared by the domestic areas. This 55 percent of the increment between 8,350,000 and 8,691,818 tons is allocated to individual domestic areas in specific amounts. The domestic share of requirements in excess of 8,691,818 tons is prorated among domestic areas on the basis of their quotas at that level. The quota for the Republic of the Philippines⁴ is fixed.

Quotas for Cuba and "other foreign countries"⁵ vary each year depending upon the tonnage provided by the Secretary's sugar requirements determination. First, Cuba is allotted 96 percent and other foreign countries are allotted 4 percent of the difference between 8,350,000 tons and the sum of the fixed domestic and Philippine quotas (5,424,000 tons). That difference is 2,926,000 tons.

Second, 45 percent of the total requirements in excess of 8,350,000 tons are apportioned as follows: 29.59 percent to Cuba and 15.41 percent to other foreign countries.

Table 12 shows (1) the proration of quotas when sugar requirements are 8,350,000 short tons, raw value; (2) the

⁴ The Philippine quota entered duty free until Jan. 1, 1956, when it became subject to 5 percent of the Cuban duty rate. Since Jan. 1, 1959, it has been dutiable at 10 percent of the Cuban rate. This rate will be increased by 3 year periods (to 20 percent beginning with the year 1962 and then successively to 40, 60, and 80 percent) to 100 percent of the Cuban duty rate from Jan. 1 to July 3, 1974, and to the full-duty rate beginning July 4, 1974. The Philippine quota is specified in the Sugar Act of 1948, as amended, as 952,000 tons of sugar. The raw value equivalent of this quantity is presently determined by the Secretary as 980,000 tons calculated from available data on the average purity or polarization of sugar received from the Philippines during a period preceding the year for which the quota is established. If the average polarization of Philippine sugar entered in this country changes significantly, the Secretary may change the raw value equivalent of the Philippine quota.

⁵ Sometimes called full-duty countries as contrasted with Cuba and the Republic of the Philippines.

proration of quotas for domestic areas when sugar requirements are 8,691,818 tons (at that requirements level the priority provisions of the 1956 legislation are fully consummated); and (3) the percentage proration of requirements in excess of 8,691,818 tons to the several domestic areas and the percentage proration of requirements in excess of 8,350,000 tons to foreign countries other than the Republic of the Philippines.

TABLE 12.—*Proration of quotas*

Area	Short tons, raw value		Percentage proration for total quotas in excess of basis levels shown in columns (1) or (2)
	Quotas when total quotas are 8,350,000 tons	Quotas of domestic areas when total quotas are 8,691,818 tons	
	(1)	(2)	(3)
Domestic:			
Domestic beet sugar.....	1,890,000	1,884,975	22.3821
Mainland cane sugar.....	500,000	580,025	6.8871
Hawaii.....	1,052,000	1,052,000	12.4914
Puerto Rico.....	1,080,000	1,100,000	13.0613
Virgin Islands.....	12,000	15,000	.1781
Total domestic.....	4,444,000	4,632,000	55.0000
Foreign:			
Philippines.....	980,000		0
Cuba.....	2,808,960		29.5900
Full duty countries.....	117,040		15.4100
Peru.....	50,062		4.3300
Dominican Republic.....	29,482		4.9500
Mexico.....	11,259		5.1000
Nicaragua.....	8,001		.5739
Haiti.....	4,820		.2090
Netherlands.....	3,000		.0696
China (Formosa).....	3,000		.0594
Panama.....	3,000		.0594
Costa Rica.....	3,000		.0587
Canada.....	631		0
United Kingdom.....	516		0
Belgium.....	182		0
British Guiana.....	84		0
Hong Kong.....	3		0
Total foreign.....	3,906,000		45.0000
Grand total.....	8,350,000		100.0000

U.S. sugar requirements and the quotas representing the share of each producing area are determined and expressed in short tons, on a raw value basis. Most of the quotas for the domestic offshore and foreign areas may be filled only with raw sugar to be further refined or improved in quality on the mainland. Raw sugar is defined in detail in the act and in a regulation issued under it.

Other sugar is "direct-consumption sugar." This includes, primarily, white refined and other types of sugar familiar in home consumption. However, it also refers to other lower grade sugars when used directly without further refining. Raw sugar, for instance, when used in the curing of tobacco and certain types of pork products is considered "direct-consumption sugar." About 600,000 tons of direct-consumption sugar are entered from offshore domestic and foreign areas each year.

Liquid sugar of domestic origin may generally be marketed within the quotas for domestic areas, except for a restriction on liquid, direct-consumption sugar from Puerto Rico to a portion of the specific direct-consumption allowance which may be entered from that Commonwealth.

Cuba, the Dominican Republic, and the British West Indies have separate small liquid sugar quotas determined and expressed in gallons of 72 percent total sugar content. No foreign liquid sugar may be imported within the crystalline sugar quotas described above.

The liquid sugar quotas for foreign countries are shown below. The act does not provide for the reapportionment of liquid sugar quota deficits.

	Wine gallons of 72 percent total sugar content	Approximate equivalent in tons of sugar, raw value
Country:		
Cuba.....	7, 970, 558	33, 473
Dominican Republic.....	830, 894	3, 489
British West Indies.....	300, 000	1, 260
Other foreign countries.....	0	0

Deficits in quotas.—If the Secretary finds that any domestic area or Cuba cannot market its quota, he must allocate the deficit among the rest of these areas in proportion to their quotas, provided that any deficit in a domestic area quota, which occurs because of inability to market that part of the quota resulting from sugar requirements in excess of 8,350,000 tons, is prorated to the other domestic areas alone rather than to domestic areas and Cuba.

If the Philippines are unable to market their quota, 96 percent of the deficit are allocated to Cuba and 4 percent to other foreign countries. A deficit by a foreign country in its proration assigned from the overall quota for "other foreign countries" is allotted among the remaining countries of this group. Cuba is assigned any deficit in the overall quota for "other foreign countries." If any area is unable to fill the deficit assigned to it, such deficit may be reapportioned to such other areas as the Secretary determines is necessary to obtain the sugar. A deficit determination, however, does not deprive any area or country of the right to market its full quota. If a foreign country having a quota or proration in excess of 10,000 tons fails by more than 10 percent to fill it during a year in which the world price of sugar exceeds the domestic price, its quota or proration will be reduced in subsequent years by the quantity by which the country failed to fill its quota or proration unless the Secretary finds sufficient cause for such shortfall.

*Establishing marketing allotments to processors and importers.*⁶—One important function of the sugar program is

⁶ Allotments may be made to persons who market or import sugar. Allotments of domestic area quotas have been made to processors of sugarcane and sugar beets. For mainland production allotments apply to the first sale of the sugar. For offshore production allotments apply when the sugar is brought into the continental United States or, in domestic areas when first sold for local consumption. No foreign quota has been allotted.

to promote orderly marketing. The establishment of quotas alone may accomplish this. But sometimes quotas are not enough, especially when supplies in the producing areas materially exceed the quotas. If, for example, a domestic area has more sugar available for marketing than its quota, the various processors are likely to rush sugar on the market to make sure they dispose of their supply before the quota is filled. This produces the unfortunate combination of a temporarily oversupplied market and panicky sellers and usually results in an unwarranted decline in price.

If the Secretary finds that the pressure of supplies in an area is likely to cause disorderly marketing, he must allot the quota fairly among the processors. This allotment assures each processor of an equitable share of the market, removes the "fear" element, and permits the conduct of business on a more stable day-to-day basis.

The allotment of quotas among processors is based on past marketings of sugar by the persons concerned, their ability to market sugar during the season for which the allotment is being made, and on their sugar processings from beets or cane to which proportionate shares pertain. Proportionate shares are covered in the following section:

Assigning proportionate shares.—As pointed out above, the Sugar Act requires the Secretary to divide the U.S. sugar market among domestic and foreign areas and, if necessary, for orderly marketing, to divide quotas among processors and importers.

For domestic areas, the act also requires the Secretary to divide the market among individual farms. In dividing the market among farms, however, the Secretary is dealing with a different total quantity of sugar than when determining quotas and allotments. He must allow for enough sugar to provide a normal carryover as well as the amount of sugar represented by the quota. Because of the time it takes to grow and process a crop of sugar beets or sugarcane, the "proportionate shares" must be determined long before the quota is finally established to regulate the marketing of sugar made from that crop.

The Secretary must determine the quantity of sugar each domestic area may carry over into the following year. Then he makes allowances for deficiencies or surpluses in the current stocks in the respective areas and adds to or subtracts from the quota sufficiently to assure a normal carryover into the next year. The resultant amount, which represents the total quantity of sugar that may be produced in the area, is then divided among farms. Each farm's allotment, known as its "proportionate share," may be expressed in acres, tons of sugarcane or beets, or in tons of sugar, raw value, which can be normally produced from cane or beets.

For many years, proportionate shares in the several domestic areas were simply determined as the beet or cane acreages actually grown or, in the offshore domestic areas, as the tonnage of raw sugar actually processed from the sugarcane grown. In recent years, however, it was necessary

to determine restrictive proportionate shares in some of the areas in order to prevent the accumulation of sugar stocks in excess of marketing quota and normal carryover needs. Such restrictions were in effect on an acreage basis in the mainland cane area for the crop years 1954 through 1958 and were established but later rescinded for the 1959 crop. In the domestic beet area such restrictions have applied to the 1955 through 1959 crops. Restrictive proportionate shares were in effect in Puerto Rico on a sugar tonnage basis for the crop years 1953 through 1956.

The purpose of assigning specific shares to farms in a particular area is to adjust crop output to the area's quota and normal carryover and to assure that each farm will share in this adjustment equitably. In determining the proportionate share for a farm the Secretary may consider past production and the ability of the farm to produce beets or cane during the year for which the determination is being made. The act requires the Secretary to protect the interests of small and new producers and producers who are tenants and sharecroppers in assigning shares and to consider the interest of producers in any local producing area where past production has been seriously affected by abnormal and uncontrollable natural conditions.

In actual practice, proportionate shares are not made restrictive unless production in an area has exceeded or promises to exceed the quota and normal carryover, and marketing allotments have failed to bring about a balance between production and allowable area marketing. Marketing allotments are applied when excessive production and disorderly marketing first become problems. Because of the administrative detail involved and the complicating fact that the harvest season in most areas does not coincide with the calendar year—i.e., the quota year—plans for assigning specific proportionate shares must be made well in advance of the crop year for which they will be in effect. Thus, when it appears that there will be a reasonable balance between an area's production and its quota or when an area clearly will not be able to produce enough to fill its quota, proportionate shares are not made restrictive. For instance, the 1957 proportionate share determination for Puerto Rico stated that the share for each farm is "the amount of sugar, raw value, commercially recoverable from the sugarcane grown thereon and marketed (or processed by the producer) during the 1956-57 crop season for the extraction of sugar or liquid sugar."

Producers are not required to stay within their assigned proportionate share if they do not wish to do so. However, in order to receive "conditional payments" from the Government, growers must abide by the proportionate share determination. Since these payments are an important part of their income, the growers comply with this determination. If all the sugar processed from beets or cane in excess of a grower's proportionate share is used for livestock feed or for the production of livestock feed, he will receive conditional payments on his proportionate share.

Assuring fair division of the benefits of the sugar program.—The principal way in which the domestic industry derives benefits from the sugar program is through the stabilization of raw and refined sugar prices at reasonably profitable levels. But the framers of the Jones-Costigan Act did not leave solely to competitive forces the carrying of these benefits through retailers, wholesalers, refiners, and importers, to beet and sugarcane processors, growers, and farmworkers. They provided in that act for a system of grower payments to assure that this sharing would take place. This system was carried forward in succeeding legislation though, as pointed out earlier, handled in a different manner. Under the present act, these payments are called conditional payments.

Conditional payments are appropriated annually by the Congress and financed out of the general fund of the Treasury. However, a tax on sugar provides funds for the Treasury which more than offset the total of all conditional payments plus the costs incurred by the Department of Agriculture in administering the Sugar Act. The basic rate is 0.5 cent a pound, raw value, on all sugar domestically manufactured, paid principally by beet processors and cane sugar refiners, and on importers of direct-consumption sugar. The provision for this tax is incorporated in the Internal Revenue Code. The tax is refunded on sugar used for livestock feed and on sugar exported.

As indicated in the section on proportionate shares, conditional payments act as an incentive to growers to adjust their production to the quota and carryover needs. But this payment system also has three other objectives. These other objectives are (1) to help provide adequate incomes to growers; (2) to assure growers and field workers a fair sharing of returns to the industry; and (3) to prevent the employment of child labor in fieldwork.

The first objective is accomplished by augmenting grower income through conditional payments. The second and third objectives are achieved by requiring growers to observe certain conditions in order to receive conditional payments. These conditions are in addition to the requirement that growers comply with their proportionate share determination. They are as follows:

(1) Growers, who are also processors, are required to pay fair prices for cane or beets purchased from other growers. Fair prices are determined annually by the Secretary for each domestic area after public hearings and after investigation of the economic position of growers and processors. The fair price determinations fix the minimum levels of prices to be paid to growers by processors who are growers. In addition, they affect the level of prices paid to growers by processors who are not growers. Processors who are not growers pay about the same prices as grower-processors.

(2) Growers must pay fieldworkers in full for work performed on cane or beets and at rates not less than those determined by the Secretary of Agriculture to be fair and reasonable. Each year the Secretary determines fair and reason-

able wages for fieldworkers in each domestic area. These wages are established after investigation and public hearings at which all interested parties may testify.

(3) Growers must not employ children under the age of 14 years or permit them to work on sugar beets or sugarcane. Children between the ages of 14 and 16 may not be employed or permitted to work for more than 8 hours a day. The children of growers who own at least 40 percent of the crop they are cultivating are exempted from these conditions. If these conditions are not observed by a grower he is penalized by a deduction of \$10 from his payment for each child and for each day or part of a day during which such child was employed or permitted to work.

The rates of conditional payments vary with the volume of sugar produced from the cane or beets grown on a farm and are graduated downward from small to large production. The basic rate of \$0.80 a hundred pounds of sugar, raw value, is paid on the first 350 short tons of commercially recoverable sugar contained in the beets or cane produced on a farm. This rate is reduced progressively to a minimum of \$0.30 a hundred pounds on all sugar produced in excess of 30,000 short tons from the beets or cane on a farm. From 1948 to 1957 the average rate of payment was \$0.68 a hundred pounds, ranging from \$0.46 in Hawaii where most of the production is on large farms to \$0.79 in the beet area. Payments in the mainland cane area, Puerto Rico, and the Virgin Islands averaged \$0.68, \$0.69, and \$0.66 a hundred pounds, respectively, during the same period.

The average payment rate for all domestic areas exceeds the tax rate—an apparent paradox in view of the fact that total tax receipts exceed the cost of the program. The explanation is that the tax is imposed on all sugar (foreign and domestic) manufactured or imported for direct consumption; but payments are made on domestic production only.

Compensation for disaster losses.—The sugar program provides limited benefits for growers in the form of special conditional payments for crop deficiency or abandonment caused by drought, flood, storm, freeze, disease, or insects. For a farmer to be eligible for these payments, natural disasters must cause damage to all or a substantial part of the crop throughout the local producing area in which he is located. In the case of a crop deficiency, the regular conditional payment is made on the farmer's actual yield and an additional payment is made sufficient to raise the total to the amount that would have been paid had he obtained 80 percent of the normal yield of commercially recoverable sugar. In the case of a bona fide crop abandonment, payments are made on one-third of the normal yield of abandoned acreage.

Payments for reduced yield are commonly known as deficiency payments and payments for abandoned crops are called abandonment payments. Both, however, are technically conditional payments and are covered by the conditional payment provisions of the act.

From 1948 through 1957, deficiency and abandonment payments averaged about \$877,000 a year in the beet area, \$129,000 a year in the mainland cane area and \$195,000 a year in Puerto Rico. During that period only \$64,000 were paid out in Hawaii (in 1955) and there were no deficiency and abandonment payments in the Virgin Islands.

Administrative procedures.—All regulations issued by the Agriculture Department under the authority of the Sugar Act are first publicized through an Agriculture Department press release, are published in the Federal Register a few days after issuance, and are codified as "Title 7, Chapter XIII, of the Code of Federal Regulations."

Certain regulations must be preceded by public hearings. These are marketing allotment orders, the determination of processes and qualities which distinguish raw sugar and direct-consumption sugar, and fair price and fair wage determinations. The rules governing the procedures for the issuance of these regulations form parts 801 and 802 of the code.

Other sugar regulations may be issued without prior public hearings. However, as noted earlier, it has become customary to conduct a hearing in November of each year, prior to the issuance of the initial sugar requirements determination for the following year. Informal public hearings are also conducted before restrictive proportionate share regulations (acreage allotments in the mainland areas) are issued.

Hearing notices, notices of proposed rulemaking, notices of recommended decisions, and notices of tentative decisions are also publicized through Agriculture Department press releases and, except for notices of informal public hearings on proportionate shares, are published in the Federal Register.

RESULTS OF THE SUGAR PROGRAM

Growth of the domestic industry (first curtailed, then increased moderately)

The imposition of sugar quotas and of production controls and the drought in 1934 caused a sharp cut in sugar production in the domestic areas. Between 1923 and 1933, production in the domestic areas (excluding the Philippines) increased from 2,046,000 to 4,036,000 tons. In 1934 domestic production was cut to 3,580,000 tons. The following year, 1935, domestic production was cut further to 3,420,000 tons. The effect of the sugar program was even more striking if the Philippine Islands are included as a domestic area, which they were in the pre-World War II period. In the 10 years before quota restrictions, our entries from the Philippines rose from 238,000 to 1,249,000 tons—an increase of more than 400 percent. In 1935, entries from the Philippines were only 917,000 tons within a quota of 982,000 tons. Production in that country was also cut substantially as the United States was its principal market. Considered together, domestic production and Philippine

imports were lowered 18 percent the first 2 years of quota legislation.

By 1936, as the market expanded with increased population and improved demand, the quota totals were increased. Under the Sugar Act of 1937, any expansion in the U.S. market was shared proportionately by both domestic and foreign areas. The 1937 act allotted the quota for each domestic and foreign area in terms of a specific percentage of overall sugar requirements. For domestic areas, these percentages totaled 55.59 percent, and for the Commonwealth of the Philippines, Cuba, and other foreign countries, 44.41 percent. This quota relationship existed from 1937 to 1947, after which time the 1937 act was replaced by the Sugar Act of 1948.

The Sugar Act of 1948 established fixed quotas for domestic areas and the Republic of the Philippines and flexible quotas for other foreign countries. The domestic quotas remained unchanged through 1955 except for the increase in the Puerto Rican and Virgin Island quotas which were enacted in 1951 and became effective January 1, 1953. These increases permitted a 4-percent growth in total domestic quotas during the 8-year period, 1948 through 1955. Therefore, most increases in sugar requirements over that period were filled by imports from Cuba and other foreign countries.

In 1956, the Sugar Act of 1948 was again amended and extended through 1960, and the participation of the domestic areas in the growth of our sugar market was restored. Since then, the domestic areas have shared 55 percent of all market growth in excess of 8,350,000 tons.

Economic status of the domestic industry

Processors and refiners.—In general sugarcane and beet processors have had stable and adequate earnings under the sugar program. Only a few companies have gone out of business because of unprofitable operations. In contrast, when sugar prices were so erratic in the 1920's and so depressed in the early 1930's, many failed to weather the financial storms.

Refiners, like sugarcane and beet processors, have generally operated profitably under the sugar program. However, their plight never became as serious in the 1920's and early 1930's as that of the sugarcane and beet processors. One of the principal benefits the refiners enjoy under sugar legislation accrues from the limitation the act places on imports and shipments from domestic offshore areas of sugar in refined form. Unrestricted imports of refined sugar naturally would reduce the volume of mainland refining and would create price problems because offshore direct-consumption sugar is quoted at lower prices than sugar refined in the continental United States.

Growers.—Growers' gross income has increased substantially since the program began in 1934. This larger income is the result not only of the influence of generally higher and more stable prices for sugar but also of an increase in the

growers' share of sugar returns. Processors generally have operated profitably and at the same time have been able to pass on a higher proportion of total sales returns to growers. This increased return to growers has been possible through improvements in manufacturing efficiency on the part of the processors. In addition, the fair price determinations issued under sugar legislation have assured an equitable share of returns going to growers and have bolstered the bargaining position of growers who sell to processors who are not growers.

Growers income per ton of sugarcane and sugar beets has risen at a higher rate than the price of refined sugar. The farmer is now receiving a larger percentage of the sugar dollar than he did before 1960. During World War II and the early postwar period returns from sugar beets and sugarcane were affected by subsidy and price support programs under other legislation aimed at providing supplies at controlled prices.

In recent years growers' income per ton of sugar beets and sugarcane has been well over twice as much as during 1935-39. Refined sugar prices also increased over this period but less than growers' income. This indicates that the growers' share in the sugar dollar has increased, also.

Before 1940 sugar-beet processors received a slightly larger share of the sugar dollar than did the growers. Since then the growers' share has increased substantially. The greatest increase took place from 1945 to 1946. Since 1945 the growers' share of net sales proceeds has typically been 58 percent. In addition, growers have received Sugar Act payments and, in most years from 1943 through 1947, Commodity Credit Corporation price support payments.

Growers in the domestic cane areas likewise have enjoyed a larger share of sugar returns than formerly. In Louisiana, for example, growers averaged about 63 percent of the total returns (excluding Government payments) from sugar and molasses during the 1953-57 period whereas they averaged only about 55 percent from 1936 through 1940.

During the war years the price received by beet growers expressed as a percentage of the parity price⁷ reached very high levels in view of the price support payments disbursed by the Commodity Credit Corporation during that period. In spite of these payments, beet acreage and production during the war years 1943-45 were greatly reduced.

Since 1948 the price received by mainland sugarcane growers, expressed as a percentage of parity price, has fluctuated more than the corresponding price received by sugar-beet growers. This is to be expected, because the sugarcane price is related to the average raw cane-sugar price either during the week of sale or during the sugarcane marketing season. By contrast, the sugar-beet price depends on net returns from refined beet-sugar sales throughout the year. For mainland

⁷ The parity price for a farm commodity is a legal and statistical concept expressing a past price level for the commodity, adjusted to reflect changes in the level of farmers' production and family living expenses.

sugarcane the returns as percentage of parity vary considerably, the lowest in the 1948-58 period applying to the 1948 crop, the highest to the 1956 crop. Sugar beet and sugarcane prices for the years since 1950 would have been a lower percentage of parity, if the old formula for calculating parity had remained in effect.

Farmworkers

The standard of living of sugar beet and cane fieldworkers today is greatly improved over the living standards of fieldworkers in 1934. Early minimum wage rates established under the Sugar Acts tended to become the rates actually paid. In more recent year, average wages paid have tended to exceed the minimums determined, enough so in Hawaii and Puerto Rico that determination of specific rates for these areas has been discontinued. For the other areas, minimum rates established for the 1958 crops were 277.5 percent higher than those prevailing in 1934. On the other hand, the cost of food and clothing increased by only 151.7 percent.

Sugar utilization

From the early 1820's to 1926, annual per capita distribution of refined sugar in the United States increased steadily from 9 to 110 pounds. Per capita sugar deliveries during the period 1925-30 averaged 106 pounds. During the depression years, 1932-34, per capita sugar deliveries averaged only 95 pounds. The wholesale price of sugar declined during that period to the lowest levels since the mid-1890's, but the decline was less than the decline in the general price level.

Per capita distribution recovered somewhat in 1935 and remained at about 97 pounds through 1940. (See Sugar Reports 90, table 3, p. 12). During the war, supplies were inadequate. Since 1947, distribution has fluctuated rather widely from year to year, but was rather constant by 3-year periods averaging 96 to 97 pounds a year. In 1947, 1950, 1953, and 1956 industrial users accumulated stocks and in 1948, 1951, 1954, and 1957 they reduced stocks. Per capita sugar distribution during 1947-58 averaged 96.5 pounds, about 0.7 pound less than during 1935-40. The utilization of corn sweeteners increased from 7 pounds in 1936 to 15 pounds in 1947 but declined subsequently. It remained at about 12 pounds through 1957 and has been rising since the beginning of 1958.

In the last quarter of 1941, quota restrictions were virtually lifted when the sugar determination was increased to 9 million tons; from 1942 through 1947 all quota restrictions on sugar were suspended. During the World War II emergency period, the U.S. sugar supply situation was tight. Imports from the enemy-held Philippines were completely cut off and shipping space for sugar from other offshore areas was limited. Total sugar distribution was lowest during 1942 because of the loss of the Philippines and a sharp drop in imports from Cuba. But the large quantity carried over

from the 1941 supply buildup helped ease the situation for consumers. The postwar shortage was most acute in 1946. Because of short supplies in the previous year, stocks had been depleted, while sugar distribution on a per capita basis reached the lowest point in over 40 years.

Prices

The Sugar Act is a price-influencing mechanism but it leaves ample room for price fluctuation. Since World War II domestic sugar prices have been far more stable than world prices. Also, domestic prices have been far more stable since World War II than they were following World War I. During World War II sugar prices were stabilized by price controls and consumer subsidies. The Commodity Credit Corporation imported sugar from Cuba, duty free, sold it at a loss, and absorbed costs to keep prices down to consumers. In 1946 and 1947, when the subsidy programs were brought to an end and costs of obtaining sugar rose, ceiling prices were increased. Except for this one sharp price change and a temporary price peak in the fall of 1939, sugar prices have been remarkably stable under the Sugar Acts.

In relation to the price of other foods, the price of sugar in the United States has declined greatly over the last century. After declining sharply in the 20 years immediately following the Civil War, the price of sugar has remained at moderately low levels except during the post-World War I inflation period in 1920. Since 1940, the index of the wholesale price of all foods has increased considerably more than the wholesale price of refined sugar.

In 1958 the index of the wholesale price of all foods was 255 percent of the 1940 level, whereas the wholesale price of sugar was only 209 percent of the 1940 level. When price controls were instituted in the wake of the Korean conflict the Office of Price Stabilization exempted sugar from price control on February 12, 1951, because inflationary pressures had been warded off by the large distribution during 1950 and it was apparent that the Sugar Act would be able to deal with the inflation problem as it related to sugar.

The quota premium

The differential between the price at which raw sugar is sold in Cuba for shipment under quota to the United States and the price Cuban sellers obtain for sugar sold to other countries is referred to as the "quota premium." This differential comes about through the limitation of total marketings of sugar in the United States to the quantities which can be sold consistent with a fair price to producers and consumers.

During the period in which quota programs were in effect the U.S. price of raw sugar remained above the world price until 1950. As a result of the Korean conflict the world price exceeded the U.S. price for most of the period from August of 1950 until the beginning of 1952. Then from 1952 through 1956 the U.S. price of raw sugar exceeded the

world price by an approximate average of 1.7 cents per pound. During the first half of 1957 the world price again exceeded the U.S. price as a result of the Hungarian and Sucz crises, a poor European beet crop and uncertainty about Cuban sugar production in 1957.

Since January 1958 the quota premium has averaged 2.1 cents per pound.

Imports of sugar

Since 1903 Cuba has been our most important foreign source of sugar. Imports from Cuba first exceeded 1 million tons in 1903, 2 million tons in 1913 and 3 million tons in 1919.

In the early 1930's imports fell sharply. In 1933, we imported only 1,573,000 tons from Cuba—less than in any year since 1909. The volume of imports increased after 1933 and averaged about 2 million tons from 1936 through 1940. With the virtual lifting of quota restrictions in the latter part of 1941 and the suspension of the quotas from 1942 to 1947, our imports from Cuba increased substantially, averaging 2,800,000 tons and reaching a high of 3,943,000 tons in 1947. From 1948 through 1958 an annual average 3 million tons of sugar was imported from Cuba.

The value of Cuban sugar imports has increased even more than the quantity. Due to the increase in the level of sugar prices and reduction in the U.S. tariff, Cuban sugar producers received about 11 times as much income from their exports to this country in 1958 as they did in 1933. In 1933, raw sugar exports to the United States yielded 1.1 cents a pound to Cuban producers, in 1958, 5.3 cents.

Imports from full-duty countries were 4 percent or less of total imports during the period 1937 through 1956 except in 1941. In the latter year 190,000 tons were imported from full-duty countries. Otherwise until 1953, the quantity exceeded 100,000 tons only in 1943 and 1944.

When the Sugar Act amendment of 1951 trebled the basic full-duty country quota beginning in 1953 these countries responded with annual average shipments of 119,000 tons of sugar during the 1953-56 period. Imports from these countries increased to 5 and 6 percent in 1957 and 1958 as a result of the 1956 amendment to the Sugar Act. It will be recalled that the quota of these countries amounts to 117,040 tons plus 15.41 percent of our sugar requirements above 8,350,000 tons. Our quota imports from these countries averaged 248,000 tons in 1957-58.

Changes in sugar tariff rates

While the sugar acts have been in effect, tariff rates on sugar have been cut 75 percent (see table 13). The institution of the sugar quota system for regulating sugar imports and domestic marketings placed tariffs in a secondary role

in protecting and maintaining the American sugar industry. It became possible to reduce tariff rates without jeopardizing the industry's economic position.

The United States-Cuban Convention of Commercial Reciprocity of 1902 and the act carrying it into effect, approved in 1903, established preferential rates for Cuba. The treaty and the act specified that the tariff on Cuban sugar must be at least 20 percent below the tariff levied on sugar imported from full duty countries. In 1903, the Cuban rate was established at 1.348 cents a pound and the full-duty rate at 1.685 cents a pound. These rates were subsequently lowered and then increased, reaching a peak in 1930 under the Smoot-Hawley Act of 2 cents per pound for Cuban sugar and 2.5 cents a pound for full-duty sugar.

TABLE 13.—*U.S. sugar tariff, 1930 to 1959*

[Cents per pound, 96°]

Date effective	Cuban sugar	Sugar from full-duty countries	Philippine sugar
June 18, 1930.....	2.00	2.5000	¹ Free
June 8, 1934.....	1.50	1.8750	-----
Sept. 3, 1934.....	.90	-----	-----
Sept. 11, 1939.....	1.50	-----	-----
Jan. 1, 1940.....	.90	-----	-----
Jan. 5, 1942.....	.75	-----	-----
July 29, 1942.....	-----	.9375	-----
Jan. 1, 1948.....	.50	.6875	-----
June 6, 1951.....	-----	.6250	-----
Jan. 1, 1956.....	-----	-----	0.025
Jan. 1, 1959.....	-----	-----	.050

¹ The Tydings-McDuffie Act of 1934 provided for 1 10-year annual tariff-free quota of 952,000 short tons, commercial weight of sugar from the Philippines. Any excess was dutiable. The Philippines did not make use of their quota until the Sugar Act of 1937 to the extent that it was in excess of their duty-free quota. Substantially similar circumstances prevailed in 1935 and 1936 under the provisions of the Jones-Costigan Act.

Source: USDA, Agriculture Handbook 143, September 1959.

The first reduction was 0.5 cent a pound and was announced with, and made part of, the total action in approving the Jones-Costigan Act of May 9, 1934. In this action the tariff on Cuban sugar was reduced to 1.5 cents a pound, effective June 8, 1934. The action was by Presidential proclamation under the "flexible" tariff provisions of the Tariff Act of 1930 (table 13).

Subsequently, sugar tariff rates were reduced under the Reciprocal Trade Agreements Act of 1934 and its periodic extensions and amendments. Under the terms of the exclusive agreement with Cuba concluded in connection with the General Agreement on Tariffs and Trade, the tariff on Cuban sugar has amounted to 0.5 cent a pound since 1948, while the full-duty rate has been 0.625 cent a pound since 1951. These reductions in tariff rates were made possible by the existence of programs under the several sugar acts.

CHANGES IN EXISTING LAW

In compliance with clause 3 of rule XIII of the Rules of the House of Representatives, changes in existing law made by the bill are shown as follows (existing law proposed to be omitted is enclosed in black brackets, new matter is printed in *italic*, and existing law in which no change is proposed is shown in roman):

SUGAR ACT OF 1948, AS AMENDED

* * * * *

TERMINATION OF ACT

SEC. 412. The powers vested in the Secretary under this Act shall terminate on December 31, **[1960]** *1961*, except that the Secretary shall have power to make payments under title III under programs applicable to the crop year **[1960]** *1961* and previous crop years.

INTERNAL REVENUE CODE OF 1954**CHAPTER 37****Subchapter A—Sugar****SEC. 4501. IMPOSITION OF TAX.**

(a) **GENERAL.**—There is hereby imposed upon manufactured sugar manufactured in the United States, a tax, to be paid by the manufacturer at the following rates:

(1) on all manufactured sugar testing by the polariscope 92 sugar degrees, 0.465 cent per pound, and, for each additional sugar degree shown by the polariscopic test, 0.00875 cent per pound additional, and fractions of a degree in proportion;

(2) on all manufactured sugar testing by the polariscope less than 92 sugar degrees, 0.5144 cent per pound of the total sugars therein.

The manufacturer shall pay the tax with respect to manufactured sugar (1) which has been sold, or used in the production of other articles, by the manufacturer during the preceding month (if the tax has not already been paid) and (2) which has not been so sold or used within 12 months ending during the preceding calendar month, after it was manufactured (if the tax has not already been paid). For the purpose of determining whether sugar has been sold or used within 12 months after it was manufactured, sugar shall be considered to have been sold or used in the order in which it was manufactured.

(b) **IMPORT TAX.**—In addition to any other tax or duty imposed by law, there is hereby imposed, under such regulations as the Secretary or his delegate shall prescribe, a tax upon articles imported or brought into the United States as follows:

(1) on all manufactured sugar testing by the polariscope 92 sugar degrees, 0.465 cent per pound, and, for

each additional sugar degree shown by the polariscopic test, 0.00875 cent per pound additional, and fractions of a degree in proportion;

(2) on all manufactured sugar testing by the polariscope less than 92 sugar degrees, 0.5144 cent per pound of the total sugars therein;

(3) on all articles composed in chief value of manufactured sugar, 0.5144 cent per pound of the total sugars therein.

(c) **TERMINATION OF TAX.**—No tax shall be imposed under this subchapter on the manufacture, use, or importation of sugar or articles composed in chief value of sugar after June 30, [1961] 1962. Notwithstanding the provisions of subsection (a) or (b), no tax shall be imposed under this subchapter with respect to unsold sugar held by manufacturer on June 30, [1961] 1962, or with respect to sugar or articles composed in chief value of sugar held in customs custody or control on such date. With respect to any sugar or articles composed in chief value of sugar upon which tax imposed under subsection (b) has been paid and which, on June 30, [1961] 1962, are held by the importer and intended for sale or other disposition, there shall be refunded (without interest) to such importer, subject to such regulations as may be prescribed by the Secretary or his delegate, an amount equal to the tax paid with respect to such sugar or articles composed in chief value of sugar.

CHAPTER 65—ABATEMENTS, CREDITS, AND REFUNDS

SEC. 6412. FLOOR STOCKS REFUNDS.

* * * * *

(d) **SUGAR.**—With respect to any sugar or articles composed in chief value of sugar upon which tax imposed under section 4501(b) has been paid and which, on June 30, [1961] 1962, are held by the importer and intended for sale or other disposition, there shall be refunded (without interest) to such importer, subject to such regulations as may be prescribed by the Secretary or his delegate, an amount equal to the tax paid with respect to such sugar or articles composed in chief value of sugar.

The following shows the change in existing law made by the committee amendment:

PRORATION OF QUOTA DEFICITS

SEC. 204. (a) The Secretary shall from time to time determine whether, in view of the current inventories of sugar, the estimated production from the acreage of sugarcane or sugar beets planted, the normal marketings within a calendar year of new-crop sugar, and other pertinent factors, any area will be unable to market the quota for such area. If the Secretary finds that any domestic area or Cuba will be unable to market the quota for such area, he shall revise the quotas

for the domestic areas and Cuba by prorating an amount of sugar equal to the deficit so determined to the other such areas on the basis of the quotas then in effect: *Provided*, That any deficit in any domestic sugar-producing area occurring by reason of inability to market that part of the quota for such area allotted under the provisions of section 202(a)(2) shall first be prorated to other domestic areas on the basis of the quotas then in effect. If the Secretary finds that the Republic of the Philippines will be unable to market the quota for such area, he shall revise the quotas for Cuba and foreign countries other than Cuba and the Republic of the Philippines by prorating an amount of sugar equal to the deficit so determined, as follows:

To Cuba, 96 per centum; and

To foreign countries other than Cuba and the Republic of the Philippines, 4 per centum.

If the Secretary finds that foreign countries other than Cuba and the Republic of the Philippines cannot fill the quota for such area, he shall increase the quota for Cuba by an amount equal to the deficit.

Whenever the Secretary finds that any area will be unable to fill its proration of any such deficit, he may apportion such unfilled amount on such basis and to such areas as he determines is required to fill such deficit; except that in the case of proration of any such deficit in any domestic sugar-producing area occurring by reason of inability to market that part of the quota for such area allotted under and by reason of section 202(a)(2), the Secretary shall apportion the unfilled amount on such basis and to such other domestic areas as he determines is required to fill such deficit, and if he finds that no domestic area will be able to supply such unfilled amount, he shall add it to the quota for Cuba.

(b) Whenever the Secretary finds that any country will be unable to fill the proration to such country of the quota for foreign countries other than Cuba and the Republic of the Philippines established under section 202(c), or that any part of such proration has not been filled on September 1 of the calendar year, he may apportion such unfilled amount on such basis and to such countries as he determines is required to fill such proration.

(c) The quotas or applicable proration for any domestic area, the Republic of the Philippines, Cuba, or other foreign countries as established under the provisions of section 202 [shall not be reduced] *may be reduced* by reason of any determination of a deficit existing in any calendar year under the provisions of subsections (a) and (b) of this section.

MINORITY VIEWS

We the minority oppose H.R. 12311 because it does not give the President the needed authority to deal with international developments which adversely affect our national interest and jeopardize an adequate supply of sugar for American consumers.

We point out that neither present law nor the amendment to H.R. 12311, as adopted by the committee, provide a direct and effective method of dealing with international emergencies.

We intend to propose at the appropriate time an amendment to this bill which will give the President the necessary authority to act when Congress is not in session.

CHARLES B. HOEVEN.
PAUL B. DAGUE.
CLIFFORD G. MCINTIRE.
H. A. DIXON.
WINT SMITH.
CHARLES M. TEAGUE.
ALBERT H. QUIE.
DON L. SHORT.
CATHERINE MAY.
ALEXANDER PIRNIE.
DELBERT LATTA.

ADDITIONAL MINORITY VIEWS

In addition to the minority views, I would most earnestly point out the justification for increasing sugar quotas for our domestic areas. Sugar beet growers, particularly those on new reclamation projects, have demonstrated both the desire and the ability to produce substantially more sugar at reasonable prices for American consumers. Any further consideration of sugar legislation should therefore recognize the need for increased domestic production.

CATHERINE MAY.

ADDITIONAL MINORITY VIEWS

I concur in general with the minority views as stated, but submit that the President would possess a much more useful diplomatic and economic tool if his authority to act were in force, irrespective of whether Congress was in session or not. I therefore suggest that any Presidential authority granted be effective for the entire period of time that the current extension of the act is in effect.

PAGE BELCHER.

H. R. 12311

[Report No. 1746]

IN THE HOUSE OF REPRESENTATIVES

MAY 19, 1960

Mr. COOLEY introduced the following bill; which was referred to the Committee on Agriculture

JUNE 6, 1960

Reported with an amendment, committed to the Committee of the Whole House on the State of the Union, and ordered to be printed

[Insert the part printed in italic]

A BILL

To extend for one year the Sugar Act of 1948, as amended.

1 *Be it enacted by the Senate and House of Representa-*
2 *tives of the United States of America in Congress assembled,*
3 That section 412 of the Sugar Act of 1948 (relating to ter-
4 mination of the powers of the Secretary under the Act) is
5 amended by striking out "1960" in each place it appears
6 therein and inserting in lieu thereof "1961".

7 SEC. 2. Sections 4501 (c) and 6412 (d) (relating to
8 the termination and refund of taxes on sugar) of the Internal
9 Revenue Code of 1954 are amended by striking out "1961"
10 in each place it appears therein and inserting in lieu thereof
11 "1962".

1 *SEC. 3. Section 204(c) of the Sugar Act of 1948, as*
2 *amended (relating to proration of deficits), is amended by*
3 *striking out "shall not be reduced" and inserting "may be*
4 *reduced".*

Union Calendar No. 770

86TH CONGRESS
2D SESSION

H. R. 12311

[Report No. 1746]

A BILL

To extend for one year the Sugar Act of 1948,
as amended.

By Mr. COOLEY

MAY 19, 1960

Referred to the Committee on Agriculture

JUNE 6, 1960

Reported with an amendment, committed to the Com-
mittee of the Whole House on the State of the
Union, and ordered to be printed

June 9, 1960

5. WATERSHED PLANS. Received from the Budget Bureau plans for works of improvement on the following watersheds: p. 11307
North Broad River, Ga.; Caney Creek, North fork of Little River, and west fork of Clarks River, Ky.; Ischua Creek, N. Y.; Chippewa Creek, O.; and Mill Creek, Pa.; to Agriculture and Forestry Committee.
Big Prairie and French Creeks, Ala., Misteguary Creek, Mich., and Mill Run, Pa.; to Public Works Committee.
6. BRUCELLOSIS ERADICATION. Sen. Bridges inserted a "press statement issued today by the Department of Agriculture, announcing that New Hampshire is the first State in the Nation to be completely free of brucellosis." p. 11318
7. ELECTRIFICATION. Sen. Curtis inserted an essay which won in a contest sponsored by the Nebr. Rural Electric Assoc., "The Value of Rural Electrification in Our Home and Community." p. 11325
8. AGRICULTURAL HALL OF FAME. H. R. 5789, to incorporate the Agricultural Hall of Fame, was made the unfinished business. p. 11371

HOUSE

9. AGRICULTURAL APPROPRIATION BILL, 1961. The "Daily Digest" states that conferees met on this bill, H. R. 12117, "but did not reach final agreement, and will meet again on Mon., June 13." p. D531
10. HOUSING. The "Daily Digest" states that the Special Subcommittee on Housing of the Banking and Currency Committee "approved a draft omnibus housing authorization bill with instructions for chairman to introduce the measure." p. D530
11. ACREAGE ALLOTMENTS. The Agriculture Committee reported without amendment H. R. 12420, to treat all basic agricultural commodities alike with respect to the cost of remeasuring acreage allotments (H. Rept. 1789). p. 11441
12. WILDLIFE; CHEMICAL PESTICIDES. The Merchant Marine and Fisheries Committee reported the following bills: (p. 11441)
S. 1781, without amendment, to provide for cooperative unit programs of research, education, and demonstration in fish and wildlife management between the Federal Government, colleges and universities, the several States and Territories, and private organizations (H. Rept. 1783);
H. R. 12419, without amendment, to provide for advance consultation with the Fish and Wildlife Service and with State wildlife agencies before the beginning of any Federal program involving the use of pesticides or other chemicals designed for mass biological controls (H. Rept. 1786);
H. R. 12533, without amendment, to amend the Migratory Bird Treaty Act so as to increase the penalties for violation of the act (H. Rept. 1787).
13. PUBLIC HEALTH. The Interstate and Foreign Commerce Committee reported with amendment H. R. 6871, to provide for the extension of traineeship under the Public Health Training Act (H. Rept. 1780). p. 11441
14. RESEARCH. Received from this Department the annual report on the State agricultural experiment stations for 1959. p. 11440
15. SUGAR. As reported (see Digest 102), H. R. 12311, the Cooley sugar bill, extends the Sugar Act of 1948 for 1 year, until Dec. 31, 1961, and includes a

committee amendment which permits the Secretary of Agriculture to adjust downward the quota for a calendar year of any area which fails to fill its quota during that year. With regard to the committee amendment the committee report states as follows:

"Section 204 of the act provides for the proration by the Secretary of Agriculture of deficits occurring when any area is unable to fill its full quota. If any area is unable to fill the deficit assigned to it, such deficit may be reapportioned to other areas. It will be noted that the statute (sec. 204(b)) authorizes the apportionment of unfilled deficits to 'such countries as he determines is required to fill such proration.' This means that in order to obtain a sufficient amount of sugar, if deficits cannot be filled by any countries having quotas under the act, they may be allocated to any country where sugar is available. The committee amendment would permit the Secretary to reduce the quota of any area for any calendar year by the amount of its deficit. The reduction in quota would be effective for that calendar year only. The existing language of the statute provides that the Secretary 'shall not' make any such quota reduction. The amendment would change the words 'shall not' to 'may.'"

16. LEGISLATIVE PROGRAM.

Rep. McCormack stated that the legislative program for next week would include consideration of H. R. 9883, the Federal pay raise bill, on Wed., June 15, and the mutual security appropriation bill on Thur. (pp. 11404-5) Previously, Rep. McCormack had announced that consideration of the Federal pay raise bill had been postponed from Mon. until Wed., June 15 (pp. 11388-9).

17. MILITARY CONSTRUCTION. Passed with amendments H. R. 12231, the military construction appropriation bill for 1961. pp. 11389-403

18. INTERNATIONAL DAM. Passed without amendment H. R. 12263, to authorize the conclusion of an agreement for the joint construction by the U. S. and Mexico of a major international storage dam on the Rio Grande in accordance with the provision of the treaty with Mexico. pp. 11405-9

19. PERSONNEL. A subcommittee of the Judiciary Committee voted to report to the full committee H. R. 10089, to permit a civil action to be brought against an officer of the U. S. in his official capacity, a person acting under him, or an agency of the U. S., in any judicial district of the U. S. where a plaintiff in the action resides. p. D530

20. FISHERIES. The Merchant Marine and Fisheries Committee referred back to subcommittee S. 1262, to direct the Secretary of the Interior to establish a research program in order to determine means of improving the conservation of game fish in dam reservoirs. p. D531

21. RECREATION; LANDS. The Public Works Committee voted to report (but did not actually report) H. R. 900, to provide that 75% of all moneys derived by the U. S. from certain recreational activities in connection with lands acquired for flood control and other purposes shall be paid to the State, and H. R. 12539, to authorize the Secretary of the Army to acquire lands and develop facilities necessary for the full development of recreation potential created by reservoir projects constructed with Federal funds. p. D531

22. WHEAT. Rep. Fogarty criticized pending wheat legislation which would raise price supports on the grounds that it would "raise the feed grain costs of the

June 27, 1960.

16. SUGAR. The "Daily Digest" states that the Agriculture Committee "approved a committee amendment to be offered to H. R. 12311, to extend for 1 year the Sugar Act of 1948, when the bill is considered in the House." p. D621
Rep. Flood discussed Cuban-U. S. relations, and urged that the Cuban sugar quota be reduced and given to other "foreign countries which are more friendly to us than Cuba" p. 13584
17. COTTON. Concurred in the Senate amendment to H. R. 11646, to amend the Act authorizing the Secretary of Agriculture to collect and publish statistics of the grade and staple length of cotton by defining, and providing penalties for, improper sampling of cotton for classification. This bill will now be sent to the President. p. 13536
18. LEGISLATIVE BRANCH APPROPRIATION BILL, 1961. Concurred in the Senate amendments to this bill, H. R. 12232, with the exception to one amendment to which the House disagreed. pp. 13502-8
19. PUBLIC DEBT; TAXATION. Agreed to the conference report on H. R. 12381, to extend for 1 year the public debt limit and the existing corporate normal-tax rate and certain excise-tax rates. pp. 13494-502
20. MINERALS. By a vote of 197 to 192, passed as reported H. R. 8860, to stabilize the mining of lead and zinc by small domestic producers by providing for payments by the Department of the Interior to small lead and zinc producers at a rate which would provide them a return equivalent to that which they would receive if the market price for zinc were 14-1/2 cents per pound and lead 17 cents per pound. p. 13508
21. TRANSPORTATION. By a vote of 72 to 42, passed as reported H. R. 11135, to aid in the development of a unified and integrated system of transportation for the National Capital region; to create a temporary National Capital Transportation Agency; to authorize the creation of a National Capital Transportation Corporation; and to authorize negotiation to create an interstate transportation agency. pp. 13511-25
22. WATERSHEDS. Received and referred to the Appropriations Committee a letter from the Chairman of the Public Works Committee announcing approval of the following watershed project plans: Upper Verdigris, Kan.; Reelfoot-Indian Creek, Tenn. and Ky.; and Olmitos and Garcias Creeks, Tex. p. 13494
23. FOOD ADDITIVES. Rep. Rees inserted a resolution from the Kan. Public Health Assoc. urging prohibition of the use of carcinogenic chemicals in foods and cosmetics. p. 13557
24. FARM INCOME. Rep. Teague, Calif., inserted an article discussing the "confusion resulting from the different ways of defining farm income, and "suggesting that the farmers of the Nation are not as bad off as some demagogic spokesmen would have us believe." pp. 13587-8
25. EDUCATION. The Ways and Means Committee reported with amendment H. R. 11573, to provide for the duty-free importation of scientific equipment for educational or research purposes (H. Rept. 2012). p. 13592
26. RECLAMATION; WATER RESOURCES. The Irrigation and Reclamation Subcommittee of the Interior and Insular Affairs Committee voted to report with amendment to

the full committee H. R. 1235, to authorize the Secretary of the Interior to construct, operate and maintain a reregulating reservoir and other works at the Burns Creek site in the Upper Snake River Valley, Idaho. p. D621

27. REA. Rep. Nelsen criticized "the recently published document known as the rural electrification voting records" and its author, Clyde T. Ellis, general manager of the National Rural Electric Cooperative Association, stating it is a misrepresentation and distortion of the facts, and calling for a "complete airing" in Congress of this publication. pp. 13557-60

Rep. Hemphill also criticized Mr. Ellis for trying "to promote his personal philosophy," and stated his reasons for favoring the "upstream benefit bill." pp. 13560-75

ITEMS IN APPENDIX

28. NATURAL RESOURCES. Extension of remarks of Sen. Wiley urging an expansion of "efforts to better utilize, conserve, and manage" our natural resources, and excerpts from an interview in which he outlined an "11 point long-range" conservation program. pp. A5523-4

BILLS INTRODUCED

29. FARM PROGRAM. H. R. 12828, by Rep. Harmon, to reduce the cost to the U. S. Treasury of farm price and income stabilization programs, to provide means by which producers may balance supply with demand at a fair price, to reduce the volume and costs of maintaining Commodity Credit Corporation stocks, to provide for distribution to needy people and public institutions of additional needed high-protein foods, to preserve and improve the status of the family farm through greater bargaining power; to Agriculture Committee.
30. FOOD STORAGE. H. R. 12833, by Rep. Wolf, a Civil Defense bill to provide for a program to establish food storage depots near major cities in the United States to prevent the population from suffering from lack of food as a result of war, flood, or other local or national catastrophe which destroys the usual channels of food supply; to Armed Services Committee. Remarks of author. p. 13590
31. EDUCATION; EMPLOYMENT. H. R. 12835, by Rep. Hechler, to amend the Vocational Education Act of 1946 in order to assist the States in providing training and retraining for the unemployed and underemployed; to Education and Labor Committee.
32. ROADS. H. Res. 579, by Rep. Cunningham, expressing the sense of the House of Representatives with respect to the administration by the Secretary of Commerce of the Federal-aid highway program; to Public Works Committee.

BILLS APPROVED BY THE PRESIDENT

33. ARCHEOLOGICAL DATA. S. 1185, to provide for the preservation of historical and archeological data (including relics and specimens) which might otherwise be lost as the result of the construction of a dam. This bill provides essentially for coordination of archeological investigations and salvage operations with advance planning and construction of dams either by Federal agencies or under permits granted by Federal agencies. Approved June 27, 1960 (Public Law 86-523, 86th Congress).

license and for rehearings under the act, and will also act on the following bills:

H.R. 11123, increasing authorization for facilities for the Gorgas Memorial Laboratory (1 hour of debate);

H.R. 12417, to bring the number of cadets at the U.S. Military Academy and the U.S. Air Force Academy up to full strength (1 hour of debate); and

H.R. 11001, to provide for the participation of the U.S. in the International Development Association (2 hours of debate).

Committee Meetings

SUGAR

Committee on Agriculture: The committee met in executive session and approved a committee amendment to be offered to H.R. 12311, to extend for 1 year the Sugar Act of 1948, when the bill is considered in the House.

ARMY COMBAT VEHICLES

Committee on Armed Services: Special subcommittee held a hearing regarding criticism by the Comptroller General of Army procurement of certain tactical and combat vehicles. Various Army representatives were heard in reply to the criticism.

LATIN AMERICA—COMMUNISM

Committee on Foreign Affairs: Subcommittee on Inter-American Affairs met in executive session to consider the Communist threat in Latin America. The subcommittee adjourned subject to call of the Chair.

HOME LOAN BANK BOARD

Committee on Government Operations: Special Subcommittee on Home Loan Bank Board continued its hearings on matters regarding the Board, and heard testimony from William J. Hallahan, member of the Home Loan Bank Board; and John M. Wyman, Director, Division of Supervision, Home Loan Bank Board.

BURNS CREEK RESERVOIR—COLORADO RIVER STUDY

Committee on Interior and Insular Affairs: Subcommittee on Irrigation and Reclamation met in executive session and ordered reported to the full committee H.R. 1235 (amended), to authorize the Secretary of the Interior to construct, operate, and maintain a reregulating reservoir and other works at the Burns Creek site in upper Snake River Valley, Idaho. Prior to this action the subcommittee held a hearing on H.J. Res. 318, directing the Secretary of the Interior to continue certain studies on the quality of water of the Colorado River and related matters and to report thereon to the Congress. Testimony was given by Representative Saund and Department of Interior witnesses.

PRIVATE CLAIMS—CONNECTICUT

Committee on the Judiciary: Subcommittee No. 2 met in executive session and ordered reported to the full committee S. 3053, for the relief of the State of Connecticut.

Also took action on several private claim bills.

BILLS SIGNED BY THE PRESIDENT

New Laws

(For last listing of public laws, see DIGEST, p. D551, June 14, 1960)

S. 1358, to provide a headquarters site for Mount Rainier National Park near Ashford, Wash. Signed June 27, 1960 (P.L. 86-521).

S. 2954, exempting from D.C. income tax compensation paid to alien employees by certain international organizations. Signed June 27, 1960 (P.L. 86-522).

S. 1185, providing for the preservation of historical and archeological data which might otherwise be lost as the result of construction of a dam. Signed June 27, 1960 (P.L. 86-523).

S. 2327, relating to the registration of births in the D.C. Signed June 27, 1960 (P.L. 86-524).

S. 2439, authorizing certain D.C. teachers to count, for retirement purposes, certain periods of authorized leave without pay for educational purposes. Signed June 27, 1960 (P.L. 86-525).

H.R. 10183, clarifying the meaning of "stock company" when dealing in fire, marine, and casualty insurance in the D.C. Signed June 27, 1960 (P.L. 86-526).

S.J. Res. 42, to establish an objective for coordinating the development of the D.C. with that of other areas in the Washington metropolitan region. Signed June 27, 1960 (P.L. 86-527).

H.R. 10000, to amend the D.C. tax laws relating to overpayments and refunds of taxes erroneously collected. Signed June 27, 1960 (P.L. 86-528).

S. 1892, to authorize the Secretary of the Interior to construct, operate, and maintain the Norman project, Oklahoma. Signed June 27, 1960 (P.L. 86-529).

H.R. 10684, to amend the D.C. Life Insurance Act so as to revise certain mortality tables and payments. Signed June 27, 1960 (P.L. 86-530).

H.R. 10761, to provide for the representation of indigents in judicial proceedings in the D.C. Signed June 27, 1960 (P.L. 86-531).

COMMITTEE MEETINGS FOR TUESDAY, JUNE 28

(All meetings are open unless otherwise designated)

Senate

Committee on Appropriations, executive hearings, on mutual security appropriations, to hear Secretary of Defense Gates at 10:30 a.m., room F-37, Capitol, and Secretary of State Herter at 2:30 p.m., room F-39, Capitol.

Committee on the District of Columbia, Public Health Subcommittee, executive, on subcommittee calendar, 2 p.m., 6226 New Senate Office Building.

Committee on Finance, executive, on H.R. 12580, social security amendments of 1960, 10 a.m., 2221 New Senate Office Building.

Committee on Foreign Relations, open, on the agreement between the U.S. and India for the avoidance of double taxation (Ex. H, 86th Cong., 2d sess.), followed by executive session on committee business, 10 a.m., room F-53, Capitol.

Committee on Government Operations, Subcommittee on National Policy Machinery, on National Security Council and problems of coordination between the Departments of Defense and State, to hear Henry R. Luce, editor of Time magazine, 10 a.m., 3302 New Senate Office Building.

Committee on Interstate and Foreign Commerce, Surface Transportation Subcommittee, on S. 3020, train discontinuance bill, 10 a.m., 5110 New Senate Office Building.

Committee on the Judiciary, subcommittee, on S. 3548, to amend the Norris-LaGuardia Act to further define the term "labor disputes," 10 a.m., 2228 New Senate Office Building.

Committee on Labor and Public Welfare, Subcommittee on Labor, on S. 2643, situs picketing bill, 9 a.m., 4232 New Senate Office Building.

Committee on Public Works, Subcommittee on Roads, on S. 3681, authorizing construction of a toll bridge across the West Passage of Narragansett Bay, 10 a.m., 4200 New Senate Office Building.

House

Committee on Armed Services, Special Investigating Subcommittee, executive, on inquiry into Cleveland ordnance food machinery contract, 10 a.m., 304 Old House Office Building.

Committee on Banking and Currency, Subcommittee No. 3, on H.R. 8516, and H.R. 8627, providing for the retirement of Federal Reserve bank stock, 10 a.m., 1301 New House Office Building.

Committee on the District of Columbia, Subcommittee No. 5, on H.R. 12761, home improvement companies; and H.R. 12748, transfer of land to Redevelopment Land Agency, 10 a.m., 445 Old House Office Building.

Committee on Government Operations, Subcommittee on International Operations, executive, on pending matters, 2 p.m., 304 Old House Office Building.

Special Subcommittee on Home Loan Bank Board, executive, 9:30 a.m., 1501-B New House Office Building.

Committee on Interior and Insular Affairs, on S. 910, to authorize the payment to local governments of sums in lieu of taxes and special assessments with respect to certain Federal real property, 9:45 a.m., 1324 New House Office Building.

Committee on Interstate and Foreign Commerce, Subcommittee on Commerce and Finance, on H.R. 9894, re wholesale marketing of auto parts and accessories by petroleum producers, 10 a.m., 1334 New House Office Building.

Subcommittee on Health and Safety, on H.R. 5402, re hospital construction in federally impacted areas, 10 a.m., 414 Old House Office Building.

Committee on the Judiciary, Subcommittee No. 5, executive, on pending business, 3 p.m., 346 Old House Office Building.

Committee on Public Works, Subcommittee on Rivers and Harbors, on H.R. 9094, to establish an Alaska Study Commission; survey resolutions; and other pending matters, 10 a.m., 1302 New House Office Building.

Committee on Rules, to consider granting a rule on H.R. 12622, re jurisdiction of the U.S. district courts; H.R. 12595, re transportation of airmail; and H.R. 12603, omnibus housing bill, 10:30, G-12 U.S. Capitol.

Committee on Veterans' Affairs, executive, on judicial review legislation, 10 a.m., 356 Old House Office Building.

Committee on Ways and Means, executive, on miscellaneous bills, 10 a.m., committee room, New House Office Building.

Joint Committees

Conferees, executive, on H.R. 11390, Labor-HEW appropriations, 10 a.m., room F-82, Capitol.

Conferees, executive, on H.R. 11998, Defense appropriations, 1:30 p.m., room F-37, Capitol.

Conferees, executive, on H.R. 7634, omnibus rivers and harbors and flood control bill, 2 p.m., room P-63, Capitol.



Congressional Record

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June 29, 1960

HOUSE

20. SUGAR. The Rules Committee reported a resolution for consideration of H. R. 12311, to extend the Sugar Act of 1948 for 1 year. pp. 13921, ~~13969~~

Rep. Cooley summarized the provisions of the above bill, including the committee amendment to the bill, stating the bill includes the following: pp. 13897

"A 1-year extension of the act to December 31, 1961.

"Presidential authority to establish -- whether Congress is in session or not -- the sugar quota for Cuba for the balance of 1960 and for 1961 at such level as the President shall find from time to time to be in the national interest, but in no event in excess of the Cuban quota under present law. If the President sets the Cuban quota at less than present law, the reduction would be reapportioned as follows: (a) An amount equivalent to Cuba's share in the domestic deficit may be assigned exclusively to the domestic area; and then (b) to five nations whose quota is presently between 3,000 and 10,000 tons a sufficient quantity of sugar to bring each of them up to 10,000 tons. These nations are Costa Rica, Haiti, Panama, the Netherlands and Nationalist China; and then (c) to the Philippine Islands 15 percent of the remainder; and then (d) to the full duty nations having quotas under the act -- except those five nations mentioned in (b) above -- the remaining 85 percent in amounts prorated according to the quotas established by the act; and then (e) to any other foreign nations without regard to allocations.

"The President also would have authority to obtain refined sugar if raw sugar was unavailable.

"A technical amendment recognizing Hawaii's full status as a State.

"A permanent change in the law which gives the Secretary of Agriculture the authority to reduce for the then current calendar year the quota of a foreign nation or an area, if that nation or area is unwilling or unable to meet its quota. The Secretary could reduce the nation's or area's quota by the amount of the deficit declared against it. This provision would prevent a country or area which had failed to fill its quota from disorganizing the U. S. market by shipping its full quota after a deficit had been declared against it.

"A provision applicable to the 1961 crop only which awards to new producers 75 percent of any increase in proportionate shares due to reallocated deficits."

21. FARM LABOR. Passed without amendment H. R. 12759, to extend for 2 years the Mexican farm labor program (pp. 13898-921). By a vote of 33 to 122, rejected an amendment by Rep. Fogarty to adopt the language of the McGovern bill with the exception of the section regarding phasing-out of the program (pp. 13902-18) and rejected an amendment by Rep. Shelley to extend the program for 1 year instead of 2 (pp. 13919-21); rejected a motion by Rep. Becker to recommit the bill to the Agriculture Committee (p. 13921).

22. HAWAII. Concurred in Senate amendments to H. R. 11602, to amend certain laws of the U. S. in light of the admission of the State of Hawaii into the Union. (p. 13939). This bill will now be sent to the President.

23. FARM PROGRAM. Rep. Cannon urged Congress to enact legislation which would raise the income of the farmer. pp. 13895-6

Rep. Thompson, La., discussed the work he has done in the last 8 years in Congress which includes a statement of his position on agriculture. pp. 13954-65

June 29, 1960

8. LEGISLATIVE BRANCH APPROPRIATION BILL, 1961. Reconsidered the action of June 28 (see Digest 120) on this bill, H. R. 12232, and concurred in an amendment of the House, and agreed to a motion by Sen. Stennis to insist on the one remaining Senate amendment in disagreement (pp. 13777, 13790-1, 13821-3). Conferees were appointed on the one amendment remaining in disagreement (p. 13823).
9. STATE-JUSTICE APPROPRIATION BILL, 1961. The Appropriations Committee reported with amendment this bill, H. R. 11666 (S. Rept. 1777). p. 13881
10. PRICES. A subcommittee of the Banking and Currency Committee approved for consideration of the full committee with amendments S. 2382, to amend the Employment Act of 1946 to provide for its more effective administration, and to bring to bear an informed public opinion upon price and wage increases which threaten economic stability. p. D633
11. MINERALS. The Interior and Insular Affairs Committee voted to report (but did not actually report) H. R. 8860, to provide for payments by the Department of the Interior to small lead and zinc producers. p. D633
12. WILDLIFE. The Interstate and Foreign Commerce Committee voted to report (but did not actually report) with amendment H. R. 12533, to amend the Migratory Bird Treaty Act so as to increase penalties for violations under the act. p. D633
13. FISHERIES. The Interstate and Foreign Commerce Committee voted to report (but did not actually report) S. 2586 to provide for the conservation of anadromous fish spawning areas in the Salmon River, Idaho. p. D633
14. CONSERVATION. Sen. Moss inserted an editorial, "Conservation: More Than Locking Out," discussing the importance of natural resource conservation. pp. 13782-3
15. AIR POLLUTION. Sen. Clark urged enactment of S. 3108, to provide greater control of air pollution, before adjournment of Congress. p. 13786
16. SUGAR. Several Senators discussed Cuban-U. S. relations, including the pros and cons of reducing the sugar quota for Cuba. pp. 13815-19
17. FOREIGN AFFAIRS. Passed without amendment H. R. 11001, to provide for U. S. participation in the International Development Association. This bill will now be sent to the President. p. 13843
18. WATERSHEDS. Both Houses received from the Budget Bureau plans for works of improvement on the following watersheds: Franktown-Parker tributaries of Cherry Creek, Colo., upper Josephine-Jackson Creek, Fla., Sandy Creek, Ga., Waianae Iki, Waianae Nui, Hawaii, French Lick Creek, Ind., Bentonla, Miss., upper Gila Valley Arroyos No. 1, N. Mex., East Keechi Creek, Tex., and Beaver Creek, Va.; to S. Agriculture and Forestry and H. Agriculture Committees; and Town Fork Creek, N. C.; to Public Works Committees. p. 13774
The "Daily Digest" states that the Senate Agriculture and Forestry Committee approved the watershed projects listed above referred to that committee. p. D633
19. CONGRESSIONAL RECESS. Sen. Johnson announced that Congress will recess this coming week-end until August 8. pp. 13797-8, 13799-809

CONSIDERATION OF H.R. 12311

JUNE 29, 1960.—Referred to the House Calendar and ordered to be printed

Mr. SMITH of Virginia, from the Committee on Rules, submitted the following

R E P O R T

[To accompany H. Res. 588]

The Committee on Rules, having had under consideration House Resolution 588, reports the same to the House with the recommendation that the resolution do pass.



House Calendar No. 270

86TH CONGRESS
2^D SESSION

H. RES. 588

[Report No. 2038]

IN THE HOUSE OF REPRESENTATIVES

JUNE 29, 1960

Mr. SMITH of Virginia, from the Committee on Rules, reported the following resolution; which was referred to the House Calendar and ordered to be printed

RESOLUTION

1 *Resolved*, That upon the adoption of this resolution it
2 shall be in order to move that the House resolve itself into
3 the Committee of the Whole House on the State of the Union
4 for the consideration of the bill (H.R. 12311) to extend
5 for one year the Sugar Act of 1948, as amended, and all
6 points of order against said bill are hereby waived. That
7 after general debate, which shall be confined to the bill, and
8 shall continue not to exceed one hour, to be equally divided
9 and controlled by the chairman and ranking minority mem-
10 ber of the Committee on Agriculture, the bill shall be con-
11 sidered as having been read for amendment. No amend-
12 ments shall be in order to said bill except amendments

1 offered by direction of the Committee on Agriculture, and
2 said amendments shall be in order, any rule of the House
3 to the contrary notwithstanding. Amendments offered by
4 direction of the Committee on Agriculture may be offered
5 to any section of the bill at the conclusion of the general
6 debate, but said amendments shall not be subject to amend-
7 ment. At the conclusion of the consideration of the bill for
8 amendment, the Committee shall rise and report the bill to
9 the House with such amendments as may have been adopted,
10 and the previous question shall be considered as ordered on
11 the bill and amendments thereto to final passage without in-
12 tervening motion except one motion to recommit, with or
13 without instructions.

House Calendar No. 270

86TH CONGRESS
2D SESSION

H. RES. 588

[Report No. 2038]

RESOLUTION

Providing for the consideration of H.R. 12311,
a bill to extend for one year the Sugar Act
of 1948, as amended.

By Mr. SMITH of Virginia

JUNE 29, 1960

Referred to the House Calendar and ordered to be
printed

And those who wish to continue to refuse U.S. farmworkers the same elementary protections and guarantees provided Mexican workers should also vote for this bill. For under that bill, the Department of Labor is not authorized or permitted to assure equivalent benefits for U.S. workers.

A vote for this bill is a vote for acquiescing in an Agriculture Committee effort to interpret a 27-year-old statute for which the Agriculture Committee never has had any responsibility—and about which it has had, apparently, little knowledge.

Such a vote, also, would be a vote in favor of Farm Bureau Federation dictation of U.S. labor policy—dictation in the clear interest of a few large farmers and against the clear interest of most of the Farm Bureau's own membership.

Finally, I suggest emphatically to my colleagues on both sides of the aisle that a vote for this bill is a vote for exploitation of the many for the benefit of the few. Seldom has an issue been more clear cut.

(Mr. WAINWRIGHT asked and was given permission to extend his remarks at this point in the RECORD.)

Mr. WAINWRIGHT. Mr. Chairman, as the Representative of Long Island potato growers, and other farmers, I cannot support the position of the gentleman from Rhode Island [Mr. FOGARTY] to eliminate migrant farm labor on Long Island. None of our farmers, nor the Farm Bureau, has contacted me in regard to this bill. However, I am sure that if they realized that Long Island migrant labor would be done away with that they would have been up in arms. My vote shall be cast for a continuation of the system which allows migrants to work on Long Island during the proper seasons. Failure to permit this will cause our farms to be destroyed.

The CHAIRMAN. The time of the gentleman has expired. All time has expired.

The question is on the amendment offered by the gentleman from California [Mr. SHELLEY].

The amendment was rejected.

The CHAIRMAN. Under the rule, the Committee rises.

Accordingly, the Committee rose; and the Speaker having resumed the chair, Mr. EVINS, Chairman of the Committee of the Whole House on the State of the Union, reported that that Committee, having had under consideration the bill (H.R. 12759) to amend title V of the Agricultural Act of 1949, as amended, and for other purposes, pursuant to House Resolution 569, he reported the bill back to the House.

The SPEAKER. Under the rule, the previous question is ordered.

The question is on engrossment and third reading of the bill.

The bill was ordered to be engrossed and read a third time and was read the third time.

Mr. BECKER. Mr. Speaker, I offer a motion to recommit.

The SPEAKER. Is the gentleman opposed to the bill?

Mr. BECKER. I am, Mr. Speaker.

The SPEAKER. The Clerk will report the motion.

The Clerk read as follows:

Mr. BECKER moves to recommit the bill H.R. 12759 to the Committee on Agriculture.

The previous question was ordered.

The SPEAKER. The question is on the motion to recommit.

The motion was rejected.

The SPEAKER. The question is on passage of the bill.

The question was taken; and the Speaker announced that in his opinion the "ayes" had it.

Mr. YATES. Mr. Speaker, I ask for the yeas and nays.

The yeas and nays were refused.

So the bill was passed.

A motion to reconsider was laid on the table.

GENERAL LEAVE TO EXTEND

Mr. COOLEY. Mr. Speaker, I ask unanimous consent that all Members have 5 legislative days in which to revise and extend their remarks on the bill just passed.

The SPEAKER. Without objection, it is so ordered.

There was no objection.

LAND GRANT INSTITUTIONS

Mr. SMITH of Virginia, from the Committee on Rules, reported the following privileged resolution (H. Res. 586, Rept. No. 2036), which was referred to the House Calendar and ordered to be printed:

Resolved, That upon the adoption of this resolution it shall be in order to move that the House resolve itself into the Committee of the Whole House on the State of the Union for the consideration of the bill (H.R. 10876) to amend section 22 (relating to the endowment and support of colleges of agriculture and the mechanic arts) of the Act of June 29, 1935, to increase the authorized appropriation for resident teaching grants to land grant institutions. After general debate, which shall be confined to the bill, and shall continue not to exceed one hour, to be equally divided and controlled by the chairman and ranking minority member of the Committee on Agriculture, the bill shall be read for amendment under the five-minute rule. At the conclusion of the consideration of the bill for amendment, the Committee shall rise and report the bill to the House with such amendments as may have been adopted, and the previous question shall be considered as ordered on the bill and amendments thereto to final passage without intervening motion except one motion to recommit.

NORTH ATLANTIC TREATY NATIONS

Mr. SMITH of Virginia, from the Committee on Rules, reported the following privileged resolution (H. Res. 587, Rept. No. 2037), which was referred to the House Calendar and ordered to be printed:

Resolved, That upon the adoption of this resolution it shall be in order to move that the House resolve itself into the Committee of the Whole House on the State of the Union for the consideration of the resolution (S. J. Res. 170) to authorize the participation in an international convention of representative citizens from the North Atlantic Treaty nations to examine how greater

political and economic cooperation among their peoples may be promoted, to provide for the appointment of United States delegates to such convention, and for other purposes. After general debate, which shall be confined to the resolution, and shall continue not to exceed one hour, to be equally divided and controlled by the chairman and ranking minority member of the Committee on Foreign Affairs, the resolution shall be read for amendment under the five-minute rule. At the conclusion of the consideration of the resolution for amendment, the Committee shall rise and report the resolution to the House with such amendments as may have been adopted, and the previous question shall be considered as ordered on the resolution and amendments thereto to final passage without intervening motion except one motion to recommit.

EXTENSION OF SUGAR ACT OF 1948 AS AMENDED

Mr. SMITH of Virginia, from the Committee on Rules, reported the following privileged resolution (H. Res. 588, Rept. No. 2038), which was referred to the House Calendar and ordered to be printed:

Resolved, That upon the adoption of this resolution it shall be in order to move that the House resolve itself into the Committee of the Whole House on the State of the Union for the consideration of the bill (H.R. 12311) to extend for one year the Sugar Act of 1948, as amended, and all points of order against said bill are hereby waived. That after general debate, which shall be confined to the bill, and shall continue not to exceed one hour, to be equally divided and controlled by the chairman and ranking minority member of the Committee on Agriculture, the bill shall be considered as having been read for amendment. No amendments shall be in order to said bill except amendments offered by direction of the Committee on Agriculture, and said amendments shall be in order, any rule of the House to the contrary notwithstanding. Amendments offered by direction of the Committee on Agriculture may be offered to any section of the bill at the conclusion of the general debate, but said amendments shall not be subject to amendment. At the conclusion of the consideration of the bill for amendment, the Committee shall rise and report the bill to the House with such amendments as may have been adopted, and the previous question shall be considered as ordered on the bill and amendments thereto to final passage without intervening motion except one motion to recommit, with or without instructions.

FEDERAL EMPLOYEES' COMPENSATION ACT AMENDMENTS OF 1960

Mr. SMITH of Virginia. Mr. Speaker, I call up House Resolution 572 and ask for its immediate consideration.

The Clerk read the resolution, as follows:

Resolved, That upon the adoption of this resolution it shall be in order to move that the House resolve itself into the Committee of the Whole House on the State of the Union for the consideration of the bill (H.R. 12383) to amend the Federal Employees' Compensation Act to make benefits more realistic in terms of present wage rates, and for other purposes. After general debate, which shall be confined to the bill, and shall continue not to exceed one hour, to be equally divided and controlled by the chairman and ranking minority member of the Committee on Education and Labor, the bill shall be read for amendment under the 5-

minute rule. At the conclusion of the consideration of the bill for amendment, the Committee shall rise and report the bill to the House with such amendments as may have been adopted, and the previous question shall be considered as ordered on the bill and amendment thereto to final passage without intervening motion except one motion to recommit.

Mr. SMITH of Virginia. Mr. Speaker, I yield to the gentleman from Ohio [Mr. BROWN] 30 minutes, and yield myself 1 minute.

Mr. Speaker, this resolution makes in order with 1 hour of general debate the consideration of the bill H.R. 12383, reported unanimously by the Committee on Education and Labor, approved by the Bureau of the Budget, and approved by the Navy Department. There is no objection to it from any source that I know of.

This relates to a revamping of the Federal Employees' Compensation Act, which has not been revised for many years and has some things in it that need correction.

Mr. BROWN of Ohio. Mr. Speaker, the gentleman from Virginia [Mr. SMITH], the chairman of the Committee on Rules, has explained this rule and the provisions of this bill very well. I know of no opposition to the rule on this side.

Mr. SMITH of Virginia. Mr. Speaker, I move the previous question on the resolution.

The previous question was ordered.

The resolution was agreed to.

Mr. WIER. Mr. Speaker, I ask unanimous consent, with the approval of the minority members of the subcommittee, the gentleman from New Jersey [Mr. FRELINGHUYSEN] and the gentleman from New York [Mr. GOODELL], that the bill, H.R. 12383, to amend the Federal Employees' Compensation Act to make benefits more realistic in terms of present wage rates, and for other purposes, be considered in the House as in Committee of the Whole.

The Clerk read the title of the bill.

The SPEAKER. Is there objection to the request of the gentleman from Minnesota?

There was no objection.

The Clerk read the bill, as follows:

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That this Act may be cited as the "Federal Employees' Compensation Act Amendments of 1960".

TITLE I—SUBSTANTIVE AMENDMENTS

Increase in minimum compensation for total disability, attendants, allowance, maintenance while undergoing vocational rehabilitation

SEC. 101. Section 6 of the Federal Employees' Compensation Act is amended by striking out "\$75" in paragraph (1) of subsection (b) and inserting in lieu thereof "\$125"; by striking out "\$50" in paragraph (2) of subsection (b) and inserting in lieu thereof "\$100"; by striking out "\$112.50" in subsection (c) and inserting in lieu thereof "\$180".

Increase in death benefits

SEC. 102. Section 10(K) of the Federal Employees' Compensation Act is amended by striking out "\$150" and inserting in lieu thereof "\$240".

Increase in burial payments

SEC. 103. Section 11 of the Federal Employees' Compensation Act is amended by striking out "\$400" and inserting in lieu thereof "\$800".

Increase of compensation base where injury occurred before January 1, 1958

SEC. 104. Notwithstanding any other provision of this Act or the Federal Employees' Compensation Act, the monthly pay upon the basis of which compensation for disability or death is computed under the Federal Employees' Compensation Act shall be increased as follows: If such employee's injury (or injury causing death) occurred before January 1, 1958, but after December 31, 1950, such eligible employee's "monthly pay" shall be increased by 10 percent; if such employee's injury (or injury causing death) occurred before January 1, 1951, but after December 31, 1945, such eligible employee's "monthly pay" shall be increased by 20 percent; if such employee's injury (or injury causing death) occurred before January 1, 1946, such eligible employee's "monthly pay" shall be increased by 30 percent: *Provided*, That nothing in this or any other Act of Congress shall be construed to make the increase in the monthly pay provided by this section applicable to military personnel, or to any person or employee not within the definition of section 40(b) (1) or (2) of the Federal Employees' Compensation Act: *Provided further*, That this section shall not be construed to permit the amount of compensation on account of an employee's disability or death to be increased more than 10 percent if such injury (or injury causing death) occurred before January 1, 1958, but after December 31, 1950, nor more than 20 percent if such injury (or injury causing death) occurred before January 1, 1951, but after December 31, 1945, nor more than 30 percent if such injury (or injury causing death) occurred prior to January 1, 1946.

Liberalization of minimum and maximum compensation for emergency relief workers

SEC. 105. The second proviso of the first section of the Act approved February 15, 1934 (5 U.S.C. 796) is amended by striking out "\$100" in clause (a) and inserting in lieu thereof "\$150"; and by striking out "\$75" in clause (b) and inserting in lieu thereof "\$150".

TITLE II—TECHNICAL AMENDMENTS

Clarification of scheduled awards

SEC. 201. The first sentence of section 5(a) of the Federal Employees' Compensation Act is amended by inserting after "body," the following: "regardless of whether the cause of such disability originates in a part of the body other than such member,".

Eligibility for or receipt of benefits earned under Civil Service Retirement Act not to preclude payment of compensation for scheduled losses, election by claimants eligible to receive veterans' benefits for same disability or death

SEC. 202. Section 7(a) of the Federal Employees' Compensation Act is amended to read as follows:

"SEC. 7. (a) That as long as the employee is in receipt of compensation under this Act, or, if he has been paid a lump sum in commutation of installment payments, until the expiration of the period during which such installment payments would have continued, he shall not receive from the United States any salary, pay, or remuneration whatsoever except in return for services actually performed, and except pensions for service in the Army or Navy of the United States: *Provided*, That eligibility for or receipt of benefits under the Civil Service Retirement Act shall in no way impair the employee's right

to receive compensation for scheduled disabilities specified in section 5(a) of this Act: *Provided further*, That whenever any person is entitled to receive any benefits under this Act by reason of his injury, or by reason of the death of an employee, as defined in section 40, and is also entitled to receive from the United States any payments or benefits (other than the proceeds of any insurance policy), by reason of such injury or death under any other Act of Congress, because of service by him (or in the case of death, by the deceased) as an employee, as so defined, or because of service by him (or in the case of death, by the deceased) in the Armed Forces of the United States, such person shall elect which benefits he shall receive. Such election shall be made within one year after the injury or death, or such further time as the Administrator may for good cause allow, and when made shall be irrevocable unless otherwise provided by law."

Medical care to claimants receiving Civil Service annuity

SEC. 203. The first sentence of section 9(a) of the Federal Employees' Compensation Act is amended by inserting after "arisen," the following: "and notwithstanding that the employee has accepted or is entitled to receive benefits under the Civil Service Retirement Act,".

Considerations in computation of wage-earning capacity

SEC. 204. Section 13(b) of the Federal Employees' Compensation Act is amended by striking out all that follows "his usual employment," and inserting in lieu of such matter stricken out the following: "his age, his qualifications for other employment, the availability of suitable employment, and any other factors or circumstances in the case which may affect his capacity to earn wages in his disabled condition."

Notice of injury and claim for compensation in cases of latent disability

SEC. 205. Section 20 of the Federal Employees' Compensation Act is amended by inserting immediately after the first sentence thereof the following: "In cases of latent disability due to radiation or other causes, the time for filing claim shall not begin to run until the employee has a compensable disability and is aware, or by the exercise of reasonable diligence should have been aware of the causal relationship of the compensable disability to his employment: *Provided*, That the time for giving notice of injury in such cases shall begin to run as soon as the employee is aware, or in the exercise of reasonable diligence should have been aware, that his condition is causally related to his employment, regardless of whether or not there is a compensable disability."

Report of injuries

SEC. 206. Section 24 of the Federal Employees' Compensation Act is amended by inserting "(a)" after "SEC. 24," and by adding at the end thereof the following:

"(b) Whoever, being an officer or employee of the United States charged with the responsibility for making the reports specified in subsection (a), willfully fails, neglects, or refuses to make any such report or knowingly files a false report, or induces, compels, or directs an injured employee to forego filing of any claim for compensation or other benefits provided under this Act or any extension or application thereof, or willfully retains any notice, report, claim, or paper which is required to be filed under this Act or any extension or application thereof, or regulations promulgated thereunder shall be guilty of a misdemeanor and upon conviction thereof shall be fined not more than \$500 or imprisoned not more than one year, or both."

Dowdy	Kee	Rhodes, Ariz.
Downing	King, Utah	Riley
Dulski	Kirwan	Rivers, S. C.
Durham	Kitchin	Roberts
Elliot	Knox	Robison
Everett	Kyl	Rogers, Colo.
Fenton	Lafore	Rogers, Fla.
Fisher	Laird	Rogers, Tex.
Flynn	Landrum	Schenck
Flynt	Latta	Scherer
Forrester	Lennon	Scott
Gavin	Levering	Seiden
George	Lipscomb	Shipley
Grant	Loser	Short
Gray	McCulloch	Siler
Gross	McIntire	Simpson
Haley	McMillan	Slack
Hardy	Michel	Smith, Calif.
Harmon	Minshall	Smith, Kans.
Harris	Moeller	Stratton
Hays	Montoya	Taber
Hemphill	Moore	Teague, Tex.
Henderson	Morris, N. Mex.	Thomson, Wyo.
Hoeven	Moulder	Tollefson
Hoffman, Ill.	Murray	Tuck
Hoffman, Mich.	Norblad	Utt
Hogan	O'Konski	Van Zandt
Holifield	Oliver	Wampler
Hoit	Passman	Watts
Huddleston	Patman	Weaver
Hull	Perkins	Westland
Jennings	Philbin	Wharton
Jensen	Richter	Whitener
Johansen	Pillion	Whitten
Johnson, Calif.	Poage	Williams
Jonas	Poff	Winstead
Jones, Ala.	Preston	Wolf
Jones, Mo.	Rees, Kans.	

NOT VOTING—24

Alford	Edmondson	Norrell
Anderson,	Frazier	Staggers
Mont.	Jackson	Thompson, La.
Anfuso	Keogh	Vinson
Buckley	McGinley	Willis
Burdick	McSweeney	Withrow
Carnahan	Mason	Younger
Davis, Ga.	Morris, Okla.	
Dawson	Mumma	

So the bill was passed.

The Clerk announced the following pairs:

On this vote:

Mr. Younger for, with Mr. Mason against.
Mr. Thompson of Louisiana for, with Mr. Mumma against.

Until further notice:

Mr. Keogh with Mr. Jackson.
Mr. Buckley with Mr. Withrow.

Mr. SHIPLEY changed his vote from "yea" to "nay."

Mr. PIRNIE changed his vote from "nay" to "yea."

The result of the vote was announced as above recorded.

A motion to reconsider was laid on the table.

The doors were opened.

Mr. SPENCE. Mr. Speaker, I ask unanimous consent for the present consideration of the bill (S. 3074) to provide for the participation of the United States in the International Development Association, to strike out all after the enacting clause, and insert the provisions of the bill (H.R. 11001) to provide for the participation of the United States in the International Development Association, just passed.

The SPEAKER. Is there objection to the request of the gentleman from Kentucky?

Mr. GROSS. Mr. Speaker, I object.

SUGAR LEGISLATION

Mr. COOLEY. Mr. Speaker, I ask unanimous consent to proceed for 1

minute, to revise and extend my remarks, and to include the amendment to the sugar bill which will come before the House for consideration at an early date. This is a very brief explanation.

The SPEAKER. Is there objection to the request of the gentleman from North Carolina?

There was no objection.

Mr. COOLEY. Mr. Speaker, the Rules Committee today cleared for House consideration H.R. 12311, the bill to extend the Sugar Act in modified form. The rule provides for 1 hour of general debate and permits the offering of only one amendment, to be submitted by the Committee on Agriculture.

So that the Members of the House may be thoroughly aware of the provisions of the bill including the proposed committee amendment, I submit here for the RECORD a brief summary, along with a copy of the bill amended, as follows:

First. A 1-year extension of the act to December 31, 1961.

Second. Presidential authority to establish—whether Congress is in session or not—the sugar quota for Cuba for the balance of 1960 and for 1961 at such level as the President shall find from time to time to be in the national interest, but in no event in excess of the Cuban quota under present law. If the President sets the Cuban quota at less than present law, the reduction would be reapportioned as follows: (a) An amount equivalent to Cuba's share in the domestic deficit may be assigned exclusively to the domestic area; and then (b) to five nations whose quota is presently between 3,000 and 10,000 tons a sufficient quantity of sugar to bring each of them up to 10,000 tons. These nations are Costa Rica, Haiti, Panama, the Netherlands, and Nationalist China; and then (c) to the Philippine Islands 15 percent of the remainder; and then (d) to the full duty nations having quotas under the act—except those five nations mentioned in (b) above—the remaining 85 percent in amounts prorated according to the quotas established by the act; and then (e) to any other foreign nations without regard to allocations.

The President also would have authority to obtain refined sugar if raw sugar was unavailable.

Third. A technical amendment recognizing Hawaii's full status as a State.

Fourth. A permanent change in the law which gives the Secretary of Agriculture the authority to reduce for the then current calendar year the quota of a foreign nation or an area, if that nation or area is unwilling or unable to meet its quota. The Secretary could reduce the nation's or area's quota by the amount of the deficit declared against it. This provision would prevent a country or area which had failed to fill its quota from disorganizing the U.S. market by shipping its full quota after a deficit had been declared against it.

Fifth. A provision applicable to the 1961 crop only which awards to new producers 75 percent of any increase in proportionate shares due to reallocated deficits.

H.R. 12311

A bill to extend for one year the Sugar Act of 1948, as amended

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That section 412 of the Sugar Act of 1948 (relating to termination of the powers of the Secretary under the Act) is amended by striking out "1960" in each place it appears therein and inserting in lieu thereof "1961".

SEC. 2. Sections 4501(c) and 6412(d) (relating to the termination and refund of taxes on sugar) of the Internal Revenue Code of 1954 are amended by striking out "1961" in each place it appears therein and inserting in lieu thereof "1962".

SEC. 3. Section 204(c) of the Sugar Act of 1948, as amended (relating to proration of deficits), is amended by striking out "shall not be reduced" and inserting "may be reduced".

SEC. 4. Section 302(b) of the Sugar Act of 1948, as amended (relating to the establishment of proportionate shares for farms), is amended by striking out the period at the end of the first sentence and inserting a colon and the following: *Provided, That 75 per centum of any increase in proportionate shares in any area where restrictions are in effect for the 1961 crop year over the total of restricted proportionate shares established for such area in the preceding year, less any shares arising from the 1960 growth factor, shall be reserved for new producers.*

SEC. 5. Section 408 of the Sugar Act of 1948, as amended (relating to suspension of quotas), is amended to designate such section as subsection "(a)"; and to add a new subsection "(b)" as follows:

"(b) Notwithstanding the provisions of title II of this Act, for the period ending December 31, 1961:

"(1) The President shall determine, notwithstanding any other provisions of title II, the quota for Cuba for the balance of calendar year 1960 and for calendar year 1961 in such amount or amounts as he shall find from time to time to be in the national interest: *Provided, however, That in no event shall such quota at any time exceed such amount as would be provided for Cuba under the terms of title II in the absence of the amendments made herein, and such determinations shall become effective immediately upon publication in the Federal Register of the President's proclamation thereof;*

"(2) For the purposes of meeting the requirements of consumers in the United States, the President is thereafter authorized to cause or permit to be brought or imported into or marketed in the United States, at such times and from such sources, including any country whose quota has been so reduced, and subject to such terms and conditions as he deems appropriate under the prevailing circumstances, a quantity of sugar, not in excess of the sum of any reductions in quotas made pursuant to this subsection: *Provided, however, That any part of such quantity equivalent to the proration of domestic deficits to the country whose quota has been reduced may be allocated to domestic areas and the remainder of such quantity (plus any part of such allocation that domestic areas are unable to fill) shall be apportioned in raw sugar as follows:*

"(i) There shall first be allocated to other foreign countries for which quotas or prorations thereof of not less than three thousand or more than ten thousand short tons, raw value, are provided in section 202(c), such quantities of raw sugar as are required to permit importation in such calendar year of a total of ten thousand short tons, raw value, from such country;

"(ii) There shall next be apportioned to the Republic of the Philippines 15 per

centum of the remainder of such importation;

"(iii) The balance, including any unfilled balances from allocations already provided, shall be allocated to or purchased from foreign countries having quotas under section 202(c), other than those provided for in the preceding subparagraph (i), in amounts prorated according to the quotas established under section 202(c): *Provided*, That if additional amounts of sugar are required the President may authorize the purchase of such amounts from any foreign countries, without regard to allocation;

"(3) If the President finds that raw sugar is not reasonably available, he may, as provided in (2) above, cause or permit to be imported such quantity of sugar in the form of direct-consumption sugar as may be required."

SEC. 6. Sections 101(j), 203, 205(a), 209(a), 209(c), and 307 of the Sugar Act of 1948, as amended, are each amended by striking out the words "The Territory of" in each place where they appear therein.

MEXICAN FARM LABOR PROBLEM

Mr. COOLEY. Mr. Speaker, I move that the House resolve itself into the Committee of the Whole House on the State of the Union for the further consideration of the bill (H.R. 12759) to amend title V of the Agricultural Act of 1949, as amended, and for other purposes.

The motion was agreed to.

Accordingly, the House resolved itself into the Committee of the Whole House on the State of the Union for the further consideration of the bill H.R. 12759, with Mr. EVINS in the chair.

The Clerk read the title of the bill.

The CHAIRMAN. When the Committee rose on yesterday the gentleman from North Carolina [Mr. COOLEY] had 14 minutes remaining; the gentleman from Iowa [Mr. HOEVEN] had 9 minutes remaining.

The Chair recognizes the gentleman from North Carolina [Mr. COOLEY].

Mr. COOLEY. Mr. Chairman, I yield 3 minutes to the gentleman from California [Mr. McFALL].

Mr. McFALL. Mr. Chairman, I am in support of an extension of Public Law 78, the Mexican national program, and the Fogarty amendment which should further improve the administration of the program to prevent its use to depress wages or working conditions or to replace domestic farmworkers.

The Public Law 78 program is essential to California as a supplement to the domestic farm labor force in the peak seasons when crops ripen at the same time in many areas and there simply are not enough domestic workers to do the job. This is the situation in San Joaquin and Stanislaus Counties in California, the district which I represent.

It is important that we take affirmative action now, since the Public Law 78 program, which technically runs until June 30, 1961, would be virtually dead for next year if not extended now, for two reasons: First, the farmers must know at the time of planting whether or not there is a reasonable assurance of the labor required to harvest the crops; second, the Department of Labor must know now if the program is to be continued in order to make the necessary

budgetary requests for funds to enforce the program.

Originally, the House Agriculture Committee considered legislation that would do three things:

First. Extend the Public Law 78 program for 2 years, to June 30, 1963.

Second. Divide jurisdiction between the Secretary of Agriculture and the Secretary of Labor.

Third. Deny the Secretary of Labor authority to prescribe regulations to protect the domestic worker.

The committee first acted on a measure that would include points 1 and 3, eliminating point 2—the joint jurisdiction that would seriously cripple and perhaps even make impossible regulation of the program.

Later the committee reported a new bill, calling for a simple 2-year extension of the program, and eliminating the original section that would hamstring the Secretary of Labor.

This is the bill we are considering today which I support with the amendments recommended unanimously by a special consultant committee to insure that the program will not be operated to the detriment of the domestic worker.

It is my information that these recommendations are substantially in accord with the thinking of those who administer the program in the Department of Labor, but no clearance has yet been received from the administration and no formal recommendation will be made to Congress until next year.

However, if we are to extend the program at this time, these safeguards should also be incorporated now to insure that the Mexican nationals are used only as unskilled labor, on a seasonal basis and not in competition in any way with our American worker.

Secretary of Labor Mitchell wrote on June 24, 1960:

There is ample evidence before the Department including the conclusions and recommendations of independent consultants who have studied the problem that the Mexican program legislation needs substantial improvement in order to avoid adverse effects upon our own farmworkers. My view remains that the existing law should not be extended until such time as improvements can be incorporated in it.

The citizens who studied the program and recommended the amendments to Secretary of Labor Mitchell are Edward J. Thye, former U.S. Senator from Minnesota; the Very Reverend Monsignor George C. Higgins, director of the social action department, National Catholic Welfare Conference; Glenn E. Garrett, chairman of the Texas Council on Migrant Labor; and Rufus B. von Klein-smid, chancellor of the University of Southern California.

Their recommendations, which are to be offered today as an amendment by Congressman FOGARTY, would have the following effect, in brief:

No worker shall be supplied under the the program unless the Secretary of Labor certifies:

A. Sufficient domestic workers who are able, willing, and qualified are not available at the time and place needed to perform the work for which foreign workers are to be employed.

B. The employment of such foreign workers will not adversely affect the wages and working conditions of domestic agriculture workers similarly employed.

C. Reasonable efforts have been made to attract domestic workers for such employment, including independent and direct recruitment by the employer requesting foreign workers at terms and conditions of employment comparable to those offered to foreign workers.

D. No foreign labor is to be imported except for seasonal and unskilled jobs.

Although there may be disagreement over method and specific language in the law, I feel certain that our growers in California have no quarrel with the objectives of these amendments, that is, to protect the domestic worker.

I have been told time and time again that the Public Law 78 program is desired only as a supplemental labor force, and that, in fact, the farmers much prefer to hire domestic workers if they are qualified and available in sufficient number when and where they are needed. I know this to be true.

My growers know also that their labor must be paid a fair wage equal to that of workers in other segments of our economy; certainly the consumer has the ability to pay a price sufficient to yield a fair profit to the farmer and a fair wage to the agriculture worker. In my opinion, the Fogarty amendments will strengthen Public Law 78 by spelling out in greater detail the provisions and intent of the present law, thus providing the opportunity to build a larger domestic work force and to retain the necessary supplemental labor supply under fair and equitable conditions.

Should the Fogarty amendment be defeated, I would support the bill to extend the program as essential to a supplemental agricultural labor supply.

(Mr. McFALL asked and was given permission to revise and extend his remarks.)

Mr. HOEVEN. Mr. Chairman, I yield 1 minute to the gentleman from Arizona [Mr. RHODES].

Mr. RHODES of Arizona. Mr. Chairman, I am in favor of this bill, and I hope it passes.

With a 17-percent increase in population in the United States during the past decade, producers of the Nation's fresh fruit and vegetable supply have barely been able to maintain a comparable rate of increase in their production of these commodities. In other words, on a countrywide basis, the rate of population increase is outrunning the growth in production of the most healthful sector of our food supply, and this trend promises to continue.

However, in California and Arizona, the situation is different; during the past 10 years, production of vegetables and melons has not only been increased 26 percent, but the proportion of the national fresh food supply contributed by these two States was increased 25 percent. In 1959, California and Arizona produced 37.5 percent of the U.S. vegetable and melon tonnage, representing 41.5 percent of the value of crops in this category. This record was ac-

June 30, 1960

HOUSE

14. SUGAR. By a vote of 395 to 0, passed with amendment H. R. 12311, to amend and extend the Sugar Act. See Digest 121 for a summary of the provisions of the bill as passed. pp. 14150-71
15. GENERAL GOVERNMENT MATTERS APPROPRIATION BILL, 1961. Agreed to the conference report on this bill, H. R. 11389 (pp. 14109-10). As agreed to the bill provides \$165,000, instead of \$40,000 as recommended by the House and \$350,000 as recommended by the Senate, for the President for expenses in improving the management of Federal agencies.
16. LABOR STANDARDS. By a vote of 341 to 72, passed with amendment H. R. 12677, to amend the Fair Labor Standards Act of 1938 (pp. 14110-50). By a vote of 211 to 203, agreed to an amendment by Rep. Kitchin in the nature of a substitute for the language of the bill as reported, which includes provisions to raise the minimum wage level to \$1.15 an hour (instead of \$1.25 an hour as reported), and to amend the Act to include employees engaged in "the processing of shade-grown tobacco for use as cigar wrapper tobacco by agricultural employees employed in the growing and harvesting of such tobacco, which processing shall include, but shall not be limited to, drying, during, fermenting, bulking, rebulking, sorting, grading, aging, and baling, prior to the stemming process." (pp. 14141-9).
17. INDEPENDENT OFFICES APPROPRIATION BILL, 1961. Received the conference report on this bill, H. R. 11776 (H. Rept. 2063). pp. 14202-4
18. PERSONNEL; PAY. Received from the President his veto message on H. R. 9883, the Federal pay raise bill (H. Doc. 442). pp. 14108-9
19. DEPARTMENT OF DEFENSE APPROPRIATION BILL, 1961. By a vote of 402 to 5, agreed to the conference report on this bill, H. R. 11998, and acted on the amendments in disagreement. pp. 14098-108
20. FOREST ROADS. Conferees were appointed on H. R. 10495, the road authorization bill, including appropriation authorizations for forest highways and forest roads and trails (p. 14108). Senate conferees have already been appointed.
21. MILITARY CONSTRUCTION APPROPRIATION BILL, 1961. Received the conference report on this bill, H. R. 12231 (H. Rept. 2062). pp. 14201-2
22. FLOOD CONTROL. Received the conference report on H. R. 7634, the omnibus flood control and rivers and harbors bill (H. Rept. 2064). pp. 14204-11
23. HAWAII. Agreed to H. Con. Res. 706 authorizing corrections in the enrolled bill H. R. 11602, to amend certain laws of the U. S. in light of the admission of Hawaii into the Union. p. 14171
24. TRANSPORTATION. Received the conference report on H. R. 11135, to aid in the development of a coordinated system of transportation for the National Capital region; to create a temporary National Capital Transportation Agency; etc (H. Rept. 2061). pp. 14171-5
25. LIVESTOCK. Rep. Thomson, Wyo., urged consideration of legislation to "provide protection for producers and feeders of livestock when they show that the increased import of meat or meat products causes or threatens serious injury to their industry." p. 14177

26. RECLAMATION. The Interior and Insular Affairs Committee reported without amendment S. 68, to provide for continued delivery of water under the Federal reclamation laws to lands held by husband and wife upon the death of either (H. Rept. 2055). p. 14211
27. CONSERVATION. The Conservation and Credit Subcommittee of the Agriculture Committee voted to report to the full committee H. R. 12849, to protect farms and ranch operators making certain land use changes under the Great Plains conservation program and the soil bank program against loss of cropland acreage and acreage allotments. p. D643
28. WEEDS. The "Daily Digest" states that the Conservation and Credit Subcommittee of the Agriculture Committee "passed over without prejudice" S. 861, to provide for the control of noxious plants on land under the control or jurisdiction of the Federal Government." p. D643

ITEM IN APPENDIX

29. TEXTILE IMPORTS. Sen. Talmadge inserted an article criticizing a recent Tariff Commission decision regarding duties on textile imports which includes a statement by Sen. Thurmond that this "proves the imperative need of Congress to take action in the next session to regain control of its constitutional authority over our trade program." p. A5680

BILLS INTRODUCED

30. PERSONNEL. H. R. 12900, by Rep. Halpern, to amend the Civil Service Retirement Act to authorize the retirement of employees after 30 years of service without reduction in annuity; to Post Office and Civil Service Committee.
H. R. 12903, by Rep. Short, to adjust the rates of compensation of employees in the postal field service, to establish a temporary Commission on Federal Civilian Employees Compensation Policy; to Post Office and Civil Service Committee.
31. SCHOOL LUNCH. H. R. 12896, by Rep. Bailey, to amend the National School Lunch Act to provide for a more equitable distribution of the funds available under such act; to Education and Labor Committee.
32. MARKETING. S. 3787, by Sen. Holland, to amend the provisions of the Perishable Agricultural Commodities Act, 1930, relating to practices in the marketing of perishable agricultural commodities; to Agriculture and Forestry Committee.
33. FOREST ROADS. S. 3791, by Sen. Magnuson, to amend section 205 of title 23 of the United States Code to provide for the system of forest development roads and trails needed for the utilization and protection of lands administered by the Forest Service; to Public Works Committee. Remarks of author. p. 13991

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COMMITTEE HEARINGS ANNOUNCEMENTS:

July 1: Increased price supports for milk and butterfat, amendments to Public Law 480, protection of acreage allotments in Great Plains program, inclusion of administrative costs in crop insurance premiums, donation of dairy products for home economic courses, grading of grapes and plums for export, establishment of botanic garden in Hawaii, and miscellaneous land transfer bills, H. Agriculture (exec).

Road authorization bill, conferees (exec).

The question was taken; and there were—yeas 211, nays 203, not voting 17, as follows:

[Roll No. 168]

YEAS—211

Abbutt	Fountain	Morris, N. Mex.
Abernethy	Frazier	Mumma
Adair	Frelinghuysen	Murray
Alexander	Gary	Nelsen
Alger	Gathings	Norblad
Allen	Gavin	Norrell
Andersen, Minn.	Goodell	Ostertag
Andrews	Grant	Passman
Arends	Griffin	Patman
Ashmore	Gross	Pelly
Auchincloss	Gubser	Pilcher
Avery	Haley	Pillion
Ayres	Halleck	Pirnie
Baker	Hardy	Peage
Barden	Harris	Poh
Barry	Harrison	Preston
Bass, N.H.	Hébert	Quie
Baumhart	Hemphill	Ray
Becker	Henderson	Reece, Tenn.
Beckworth	Herlong	Rees, Kans.
Belcher	Hess	Rhodes, Ark.
Bennett, Fla.	Hiestand	Riehlman
Berry	Hoeven	Riley
Betts	Hoffman, Ill.	Rivers, S.C.
Bolton	Hoffman, Mich.	Robison
Bonner	Horan	Rogers, Fla.
Bosch	Hosmer	Rogers, Tex.
Bow	Huddleston	Rutherford
Boykin	Hull	St. George
Bray	Ikard	Saylor
Brock	Jackson	Schenck
Brooks, La.	Jarman	Scherer
Broomfield	Jennings	Schneebell
Brown, Ga.	Jensen	Schwengel
Brown, Ohio	Johansen	Scott
Broyhill	Jonas	Selden
Budge	Jones, Mo.	Short
Burleson	Judd	Sikes
Byrnes, Wis.	Kearns	Siler
Casey	Kilburn	Simpson
Cederberg	Kilday	Smith, Calif.
Chamberlain	Kilgore	Smith, Kans.
Chelf	Kitchin	Smith, Miss.
Chenoweth	Knox	Smith, Va.
Chiperfield	Kyl	Springer
Church	Lafore	Stubblefield
Colmer	Laird	Taber
Cooley	Landrum	Teague, Calif.
Cramer	Langen	Teague, Tex.
Curtin	Latta	Thompson, Tex.
Curtis, Mass.	Lennon	Thomson, Wyo.
Curtis, Mo.	Lipscomb	Thornberry
Dague	Loser	Tuck
Davis, Tenn.	McCulloch	Utt
Derounian	McDonough	Van Pelt
Derwinski	McGinley	Van Zandt
Devine	McIntire	Wainwright
Dixon	McMillan	Watts
Dooley	McSween	Weaver
Dorn, S.C.	Mahon	Weis
Dowdy	Marshall	Westland
Downing	Martin	Wharton
Durham	Matthews	Whitener
Everett	May	Whitten
Evins	Meador	Williams
Fenton	Michel	Willis
Fisher	Miller, N.Y.	Wilson
Flynt	Milliken	Winstead
Ford	Mills	Wright
Forrester	Minshall	Young
	Moore	

NAYS—203

Addonizio	Byrne, Pa.	Dulski
Albert	Cahill	Dwyer
Anfuso	Canfield	Ellott
Ashley	Cannon	Fallon
Aspinall	Celler	Farbstein
Bailey	Clark	Fascell
Baldwin	Coad	Feighan
Baring	Coffin	Fino
Barr	Cohelan	Flood
Barrett	Collier	Flynn
Bass, Tenn.	Conte	Fogarty
Bates	Cook	Foley
Bennett, Mich.	Corbett	Forand
Blatnik	Cunningham	Friedel
Boggs	Daddario	Fulton
Boland	Daniels	Gallagher
Bolling	Dawson	Garmatz
Brademas	Delaney	George
Breeding	Denton	Gialmo
Brewster	Diggs	Gilbert
Brooks, Tex.	Dingell	Glenn
Brown, Mo.	Donohue	Granahan
Burdick	Dorn, N.Y.	Gray
Burke, Ky.	Doyle	Green, Oreg.
Burke, Mass.		Green, Pa.

Griffiths	Machrowicz	Randall
Hagen	Mack	Reuss
Halpern	Madden	Rhodes, Pa.
Hargis	Magnuson	Rivers, Alaska
Harmon	Mailliard	Roberts
Hays	Marrow	Rodino
Healey	Metcalf	Rogers, Colo.
Hechler	Meyer	Rogers, Mass.
Hogan	Miller, Clem	Rooney
Hollfield	Miller,	Roosevelt
Holland	George P.	Rostenkowski
Holt	Mitchell	Roush
Holtzman	Moeller	Santangelo
Inouye	Monagan	Saund
Irwin	Montoya	Shelley
Johnson, Calif.	Moorhead	Shipley
Johnson, Colo.	Morgan	Sisk
Johnson, Md.	Morrison	Slack
Johnson, Wis.	Moss	Smith, Iowa
Jones, Ala.	Moulder	Spence
Karsten	Multer	Staggers
Karth	Murphy	Stratton
Kasem	Natcher	Sullivan
Kastenmeier	Nix	Taylor
Kee	O'Brien, Ill.	Teller
Keith	O'Brien, N.Y.	Thomas
Kelly	O'Hara, Ill.	Thompson, La.
King, Calif.	O'Hara, Mich.	Thompson, N.J.
King, Utah	O'Konski	Toll
Kirwan	O'Neill	Tollefson
Kluczynski	Oliver	Trimble
Kowalski	Osmer	Udall
Lane	Perkins	Ullman
Lankford	Pfost	Vanik
Lesinski	Philbin	Wallhauser
Levering	Porter	Walter
Libonati	Powell	Wampler
Lindsay	Price	Widnall
McCormack	Prokop	Wier
McDowell	Pucinski	Wolf
McFall	Quigley	Yates
McGovern	Rabaut	Zablocki
Macdonald	Rains	Zelenko

NOT VOTING—17

Alford	Buckley	Morris, Okla.
Anderson,	Carnahan	Sheppard
Mont.	Davis, Ga.	Speed
Bentley	Edmondson	Vinson
Blich	Keogh	Withrow
Bowles	Mason	Younger

So the amendment was agreed to.

The Clerk announced the following pairs:

On this vote:

Mr. Bentley for, with Mr. Sheppard against.

Mrs. Blitch for, with Mr. Keogh against.

Mr. Davis of Georgia for, with Mr. Buckley against.

Mr. Mason for, with Mr. Bowles against.

Mr. Younger for, with Mr. Edmondson against.

Until further notice:

Mr. Alford with Mr. Withrow.

Mr. SCHWENGEL changed his vote from "nay" to "yea."

The result of the vote was announced as above recorded.

The SPEAKER. The question is on the engrossment and third reading of the bill.

The bill was ordered to be engrossed and read a third time and was read the third time.

Mr. HIESTAND. Mr. Speaker, I offer a motion to recommit.

The SPEAKER. Is the gentleman opposed to the bill?

Mr. HIESTAND. I am, Mr. Speaker.

The SPEAKER. The Clerk will report the motion to recommit.

The Clerk read as follows:

Mr. HIESTAND moves to recommit the bill (H.R. 12677) to the Committee on Education.

Mr. BARDEN. Mr. Speaker, I move the previous question on the motion to recommit.

The previous question was ordered.

The SPEAKER. The question is on the motion to recommit.

The motion to recommit was rejected.

The SPEAKER. The question is on the passage of the bill.

Mr. HALLECK. Mr. Speaker, on that I demand the yeas and nays.

The yeas and nays were ordered.

The question was taken; and there were—yeas 341, nays 72, answered "present" 1, not voting 17, as follows:

[Roll No. 169]

YEAS—341

Adair	Dorn, N.Y.	Kelly
Addonizio	Dowdy	Kilday
Albert	Downing	King, Calif.
Alexander	Doyle	King, Utah
Anfuso	Dulski	Kirwan
Ashley	Durham	Kitchin
Aspinall	Dwyer	Kluczynski
Auchincloss	Elliott	Knox
Avery	Everett	Kowalski
Ayres	Evins	Kyl
Bailey	Fallon	Laird
Baker	Farbstein	Landrum
Baldwin	Fascell	Lane
Barden	Feighan	Lankford
Baring	Fenton	Latta
Barr	Fino	Lennon
Barrett	Flood	Lesinski
Barry	Flynn	Levering
Bass, N.H.	Flynt	Libonati
Bass, Tenn.	Fogarty	Lindsay
Bates	Foley	Lipscomb
Baumhart	Forand	Loser
Becker	Ford	McCormack
Beckworth	Fountain	McCulloch
Bennett, Fla.	Frazier	McDonough
Bennett, Mich.	Frelinghuysen	McDowell
Blatnik	Friedel	McFall
Boggs	Fulton	McIntire
Boland	Gallagher	Macdonald
Bolling	Garmatz	Machrowicz
Bolton	Gary	Mack
Bonner	Gathings	Madden
Bosch	Gavin	Magnuson
Bow	George	Mailliard
Boykin	Gialmo	Marshall
Brademas	Gilbert	Martin
Bray	Glenn	Matthews
Breeding	Goodell	May
Brewster	Granahan	Meador
Brooks, La.	Gray	Merrrow
Brooks, Tex.	Green, Oreg.	Metcalf
Broomfield	Green, Pa.	Meyer
Brown, Mo.	Griffin	Michel
Brown, Ohio	Griffiths	Miller, Clem
Burdick	Gross	Miller,
Burke, Ky.	Gubser	George P.
Burke, Mass.	Hagen	Miller, N.Y.
Byrne, Pa.	Haley	Milliken
Byrnes, Wis.	Halleck	Mills
Cahill	Halpern	Mitchell
Canfield	Hardy	Moeller
Cannon	Hargis	Monagan
Cederberg	Harris	Montoya
Celler	Harrison	Moore
Chamberlain	Hays	Moorhead
Chelf	Healey	Morgan
Chenoweth	Hechler	Morris, N. Mex.
Church	Hemphill	Morrison
Clark	Herlong	Moss
Coad	Hoeven	Moulder
Coffin	Hogan	Multer
Cohelan	Hollfield	Mumma
Collier	Holland	Murphy
Conte	Holt	Natcher
Cook	Holtzman	Nelsen
Cooley	Horan	Nix
Corbett	Hosmer	Norblad
Cramer	Huddleston	Norrell
Cunningham	Hull	O'Brien, Ill.
Curtin	Inouye	O'Brien, N.Y.
Curtis, Mass.	Irwin	O'Hara, Ill.
Curtis, Mo.	Jennings	O'Hara, Mich.
Daddario	Johnson, Calif.	O'Konski
Dague	Johnson, Colo.	Oliver
Daniels	Johnson, Md.	Osmer
Davis, Tenn.	Johnson, Wis.	Ostertag
Delancy	Jonas	Passman
Dent	Jones, Ala.	Patman
Denton	Jones, Mo.	Pelly
Derounian	Judd	Perkins
Derwinski	Karsten	Pfost
Devine	Karth	Philbin
Diggs	Kasem	Pillion
Dingell	Kastenmeier	Pillion
Dixon	Kearns	Pirnie
Donohue	Kec	Porter
Dooley	Keith	Price

Prokop	Saylor	Tollefson
Pucinski	Schenck	Trimble
Quile	Schneebell	Udall
Quigley	Schwengel	Ullman
Rabaut	Selden	Vanik
Rains	Shelley	Van Pelt
Randall	Shipley	Van Zandt
Ray	Sikes	Wainwright
Rees, Kans.	Sher	Wallhauser
Reuss	Simpson	Walter
Rhodes, Pa.	Sisk	Wampler
Riehlman	Slack	Watts
Rivers, Alaska	Smith, Iowa	Weaver
Roberts	Spence	Weis
Robison	Springer	Westland
Rodino	Staggers	Wharton
Rogers, Colo.	Stratton	Whitener
Rogers, Fla.	Stubblefield	Widnall
Rogers, Mass.	Sullivan	Wier
Rooney	Taylor	Willis
Roosevelt	Teague, Calif.	Wilson
Rostenkowski	Teller	Wolf
Roush	Thomas	Wright
Rutherford	Thompson, La.	Yates
St. George	Thompson, N.J.	Young
Santangelo	Thornberry	Zablocki
Saund	Toll	Zelenko

NAYS—72

Abblitt	Harmon	Poff
Abernethy	Hebert	Preston
Alger	Henderson	Reece, Tenn.
Allen	Hess	Rhodes, Ariz.
Andersen,	Hiestand	Riley
Minn.	Hoffman, Ill.	Rivers, S.C.
Andrews	Hoffman, Mich.	Rogers, Tex.
Arends	Ikard	Scherer
Ashmore	Jackson	Scott
Belcher	Jarman	Short
Berry	Jensen	Smith, Calif.
Betts	Johansen	Smith, Kans.
Brock	Kilburn	Smith, Miss.
Brown, Ga.	Kilgore	Smith, Va.
Broyhill	Lafore	Taber
Budge	Langen	Teague, Tex.
Burleson	McGinley	Thompson, Tex.
Casey	McGovern	Thomson, Wyo.
Chapfield	McMillan	Tuck
Colmer	McSween	Utt
Dawson	Mahon	Whitten
Dorn, S.C.	Minshall	Williams
Fisher	Murray	Winstead
Forrester	Pilcher	
Grant	Page	

ANSWERED "PRESENT"—1

Powell

NOT VOTING—17

Alford	Buckley	Morris, Okla.
Anderson,	Carnahan	Sheppard
Mont.	Davis, Ga.	Steed
Bentley	Edmondson	Vinson
Blitch	Keogh	Withrow
Bowles	Mason	Younger

So the bill was passed.

The Clerk announced the following pairs:

On this vote:

Mr. Davis of Georgia for, with Mr. Vinson against.

Mr. Keogh for, with Mr. Mason against.

Mr. Buckley for, with Mr. Bentley against.

Mr. Sheppard for, with Mr. Younger against.

Until further notice:

Mr. Carnahan with Mr. Withrow.

Mr. BAILEY and Mr. HOEVEN changed their vote from "yea" to "nay."

The result of the vote was announced as above recorded.

A motion to reconsider was laid on the table.

The title of the bill was amended to read: "An act to amend the Fair Labor Standards Act of 1938, as amended, to provide coverage for employees of interstate retail enterprises, to increase the minimum wage under the act to \$1.15 an hour, and for other purposes."

GENERAL LEAVE TO EXTEND

Mr. BARDEN. Mr. Speaker, I ask unanimous consent that all Members

may have 5 legislative days in which to extend their remarks on the bill just passed.

The SPEAKER. Is there objection to the request of the gentleman from North Carolina?

There was no objection.

MILITARY CONSTRUCTION APPROPRIATION ACT, 1961

Mr. CANNON. Mr. Speaker, I ask unanimous consent that the managers on the part of the House may have until midnight tonight to file a conference report on the bill H.R. 12231, the Military Construction Appropriation Act, 1961.

The SPEAKER. Is there objection to the request of the gentleman from Missouri?

There was no objection.

AUTHORIZATION TO CONSIDER CONTINUING RESOLUTION MAKING TEMPORARY APPROPRIATIONS

Mr. CANNON. Mr. Speaker, I ask unanimous consent that it may be in order tomorrow to consider a House joint resolution making temporary appropriations. This is the continuing resolution.

The SPEAKER. Is there objection to the request of the gentleman from Missouri?

There was no objection.

RIVER AND HARBOR AND FLOOD CONTROL PROJECTS

Mr. DAVIS of Tennessee. Mr. Speaker, I ask unanimous consent that the Committee on Public Works may have until midnight tonight to file a conference report on the bill, H.R. 7634, authorizing the construction, repair, and preservation of certain public works on rivers and harbors for navigation, flood control, and for other purposes.

The SPEAKER. Is there objection to the request of the gentleman from Tennessee?

There was no objection.

HOUSE MEETS AT 11 A.M. ON FRIDAY, JULY 1

Mr. McCORMACK. Mr. Speaker, I ask unanimous consent that when the House adjourns today it adjourn to meet tomorrow at 10 o'clock.

Mr. GROSS. Mr. Speaker, reserving the right to object, will the gentleman tell us what the program is for tomorrow?

Mr. McCORMACK. Tomorrow there will be the veto message and following consideration of the veto message there will be several bills. There is a Theodore Roosevelt memorial bill and the Chantilly Airport reimbursement bill.

Mr. GROSS. What was the second bill?

Mr. McCORMACK. The Chantilly Airport reimbursement bill.

Mr. GROSS. Would the gentleman say that is "must" legislation?

Mr. McCORMACK. No.

Mr. GROSS. I suggest to the gentleman that we—

Mr. McCORMACK. Is the gentleman going to object?

Mr. GROSS. Yes, I would have to object if that is what we are going to come in early for.

Mr. McCORMACK. Mr. Speaker, I withdraw my request and ask unanimous consent that when the House adjourns today it adjourn to meet at 11 o'clock tomorrow.

The SPEAKER. Is there objection to the request of the gentleman from Massachusetts?

There was no objection.

SUGAR ACT OF 1948

The SPEAKER. The gentleman from Virginia is recognized.

Mr. SMITH of Virginia. Mr. Speaker, I call up House Resolution 588 and ask for its immediate consideration.

The Clerk read the resolution as follows:

Resolved, That upon the adoption of this resolution it shall be in order to move that the House resolve itself into the Committee of the Whole House on the State of the Union for the consideration of the bill (H.R. 12311) to extend for one year the Sugar Act of 1948, as amended, and all points of order against said bill are hereby waived. That after general debate, which shall be confined to the bill, and shall continue not to exceed one hour, to be equally divided and controlled by the chairman and ranking minority member of the Committee on Agriculture, the bill shall be considered as having been read for amendment. No amendments shall be in order to said bill except amendments offered by direction of the Committee on Agriculture, and said amendments shall be in order, any rule of the House to the contrary notwithstanding. Amendments offered by direction of the Committee on Agriculture may be offered to any section of the bill at the conclusion of the general debate, but said amendments shall not be subject to amendment. At the conclusion of the consideration of the bill for amendment, the Committee shall rise and report the bill to the House with such amendments as may have been adopted, and the previous question shall be considered as ordered on the bill and amendments thereto to final passage without intervening motion except one motion to recommit, with or without instructions.

Mr. SMITH of Virginia. Mr. Speaker, I yield 30 minutes of my time to the gentleman from Iowa [Mr. BUDGE], and at this time I yield such time as I may use.

Mr. Speaker, this resolution makes in order a bill from the Committee on Agriculture for treatment of the expiring Sugar Act. The resolution you will find, when it is presented, is rather simple, but in view of certain conditions it was considered advisable that this bill come to the floor under a closed rule. That is what has happened.

The resolution provides for 1 hour of debate, and under the closed rule, as is usual, the bill will be subject to committees amendments only. Those, in turn, will not be subject to amendment.

It will carry the usual right to offer a motion to recommit with or without instructions.

Mr. BUDGE. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, I wish to commend the Committee on Agriculture for its unanimous report on this bill. I am happy that the act is being extended at this time, and I hope that the other body can take action on the bill prior to leaving Washington.

By a peculiar quirk of law Mr. Castro would be rewarded with an additional quota of 150,000 tons of sugar consumed in this country if the act is not extended prior to the time we get away from Washington.

I know of no opposition to the rule.

Mr. SMITH of Virginia. Mr. Speaker, I move the previous question.

The previous question was ordered.

The SPEAKER pro tempore (Mr. MILLS). The question is on the resolution.

The resolution was agreed to.

Mr. COOLEY. Mr. Speaker, I move that the House resolve itself into the Committee of the Whole House on the State of the Union for the consideration of the bill (H.R. 12311) to extend for 1 year the Sugar Act of 1948, as amended.

The motion was agreed to.

Accordingly the House resolved itself into the Committee of the Whole House on the State of the Union for the consideration of the bill H.R. 12311, with Mr. ANFUSO in the chair.

The Clerk read the title of the bill.

By unanimous consent, the first reading of the bill was dispensed with.

Mr. COOLEY. Mr. Chairman, I yield 5 minutes to the gentleman from South Carolina [Mr. RIVERS].

Mr. RIVERS of South Carolina. Mr. Chairman, on Saturday last in a special order which I had at that time I addressed my respects to the government of one Castro and his domination and enslaving of Cuba under Communist rule.

I have received so many letters on this subject I have been unable to answer them. This is today's quantity.

I would like to put in the RECORD one of the letters which I received from a professor at the University of Florida. In my special order the other day, among other things I said that we should impose immediate strong sanctions on Castro.

This sugar bill today may be the beginning—God knows the American people hope so—our people hope for action—not protests—they want leadership—not fellowship. Let us begin today—let us rebuild the image and respect for America.

We should issue a proclamation telling him what this Nation proposes to do if he keeps on blackmailing and villifying our President and our people and taking property without due process of law. We should reassert the Monroe Doctrine. We should threaten Castro with blockade. We should, if necessary, and, if conditions demand it, occupy Cuba. My colleagues, there seems to be no other course. The responses I have received from the American people on this subject have been enormous. In the colloquy between me and the gentleman from Ohio, which occurred with my speech, I mentioned the various things that were happening down in that

island—the press associations carried the story. Here are the responses I received. Hundreds of letters from Americans begging for action.

Now, here is a letter dealing with a conversation between the writer and a dentist in Honduras. Here is what the Honduran says:

You people as a whole are stupid. I'll give you two reasons why I say this: No. 1, you tax your citizens heavily so as to have money for your so-called foreign aid when we both know much of it is wasted and that most loans are really gifts. My income runs between \$25,000 and \$50,000 per year. The maximum rate I pay is 10 percent and that is only on what I earn over \$25,000. Why should we tax ourselves heavily when all we have to do is to have our Ambassador in Washington put up a poor-mouth story and you people fall over backward to hand us a gift? No. 2, an even more important reason for saying you people are stupid is the attitude of your State Department with regard to your nationals and U.S. properties in our countries. I am older than you and can remember when Mr. Coolidge was your President. During his time we made sure nothing happened to any of your citizens or U.S. properties in the event of troubles in our countries. We knew Mr. Coolidge would land marines and pin our ears back if trouble did occur. Then Mr. Roosevelt and his good neighbor policy came along. What has happened to your standing in our countries since then? You and I both know it has deteriorated. Suppose several of your nationals are thrown in jail or get killed, what happens? Your State Department protests. Who is afraid of protests? It is bullets we are afraid of when the men behind them have the guts to back them up. We may not have loved you in Mr. Coolidge's day but at least we respected you. Today we neither love nor respect you.

I say to you, this is one time when you, my colleagues, can write news to Castro that he will understand. Let us take this step today. Let us revise our sugar quota and take the next step tomorrow, and probably the ultimate step will be to occupy that island to save those people. Let us take that step. Our stature is dwindling. Let us build it up while time remains.

Mr. BOW. Mr. Chairman, will the gentleman yield?

Mr. RIVERS of South Carolina. I yield to the gentleman from Ohio.

Mr. BOW. Does not the gentleman feel it is inconceivable that today and yesterday we heard of American property being confiscated because they would not refine the crude oil from Communist Russia?

Mr. RIVERS of South Carolina. Think of such a thing. Think of what is happening—Castro's communism—both must be destroyed.

Mr. BOW. And we are not doing anything about it. Our State Department as of this date has not yet said what they are going to do.

Mr. RIVERS of South Carolina. Of course not.

Mr. BOW. And it is high time we tell them.

Mr. RIVERS of South Carolina. Let us take a little of the Rivers' venom and stiffen up their backbone. That may help. They need to know what the people of this Nation think. The policymakers are out of step with the people of America. American feeling has no-

body to tell Castro how we feel. God save America.

Mr. HOEVEN. Mr. Chairman, I yield myself such time as I may require.

Mr. Chairman, this may be the only opportunity the House will have to express itself on the Cuban sugar situation, and it might be well to have a record rollcall.

Mr. Chairman, I rise in support of H.R. 12311, the committee sugar bill.

The Committee on Agriculture has worked long and hard to work out a bill. The bill before the House today is the unanimous result of that effort.

The committee bill is in many respects similar to my substitute, H.R. 12624, which I introduced on June 14. Like my substitute this bill extends the act for 1 year, grants Presidential authority, and contains several similar minor provisions. The chief difference between the committee bill and my substitute is on the windfall to Cuba. My bill would have automatically prevented Cuba from receiving any further increases. My bill would have required this Cuban windfall to go to domestic growers. The committee bill allows that windfall go to domestic growers. In addition my bill would have authorized the Secretary of Agriculture pretty much in his own discretion to obtain elsewhere in the world the necessary amounts of sugar. The committee bills delegates this power to the President and sets forth in detail where any such redistribution is to go. My bill gave the President authority to act only when the 86th Congress was not in session. The committee bill authorizes the President to act whether Congress is in session or not up to December 31, 1961.

The committee bill is by and large a compromise, but it is a good one. The President will have authority to deal with Mr. Castro as is necessary in our national interest. At the same time Congress retains its historic control over sugar quota allocations.

The most important aspect of this legislation now is the time element involved. Mr. Chairman, time is of the essence. Congress must give the President the authority to deal with Mr. Castro before either recessing or adjourning for two vital reasons.

The first is that unless Congress gives the President the authority to cut Cuban quota soon, any such authority will be meaningless. Cuba has a 1960 quota of approximately 3,120,000 tons under the act. So for this year she has sent us 2,245,000 tons. That leaves 875,000 tons which can still be brought into the United States from Cuba. Unless we act rapidly, Castro will have shipped his entire quota to us before the President can act. We have received a report from the Department of Agriculture that in the 48 hours following the action of our committee on Monday of this week, Cuban authorities have chartered ship space for 75,000 tons of sugar to be sent to the United States. This clearly shows that Castro is acting as quickly as he can to get his sugar up here. Needless to say, these shipments will tend to depress east coast sugar prices simply because a year's supply of Cuban sugar will be

dumped into the United States during an 8-month period.

The second reason that time is of the essence is that to keep the smooth and effective administration of the act, the Department must soon allocate the Puerto Rican and Hawaiian deficits. Under present law, 156,000 tons would go to Cuba as a windfall and the balance of some 263,000 tons would go to U.S. beet-growers and some 81,000 tons would go to mainland cane producers. The Department faces a legal dilemma under present law. It cannot allocate the deficits to U.S. farmers without giving Castro 156,000 tons and it cannot postpone indefinitely the allocation of this deficit without disrupting domestic marketing patterns. This bill must be passed if the serious situation facing our country is to be met.

In addition, Mr. Chairman, this legislation is necessary in order to safeguard consumers in the United States from possible interruptions in the supply and fluctuations in the price of sugar. It would be extremely irresponsible to let the act expire. If the act were allowed to expire on December 31 of this year, Castro would not only receive this year's windfall but he would line up his ships and dump sugar into the United States from January 1, 1961, until the time Congress comes back and acts on the bill. In the meantime, our domestic growers would be bankrupt.

The committee bill is a sound bill and should be enacted.

Mr. BECKER. Mr. Chairman, will the gentleman yield?

Mr. HOEVEN. I yield to the gentleman.

Mr. BECKER. Mr. Chairman, the gentleman has said in his explanation of the bill that time is of the essence. But we have waited until a very late hour to receive a bill from the committee. Now Castro is in a position to choke us with tens of thousands of tons of sugar.

Mr. HOEVEN. I would say to the gentleman that this bill has been before the committee some time. This is a compromise which has been worked out after giving due attention to many proposals.

Mr. BECKER. All I had in mind was the President asked for this months ago. Here it is on the very last day of June when we get a bill and the gentleman tells us here tonight that they have already arranged to ship something more than 75,000 tons of their backlog and that we will have to take it if they ship it.

The CHAIRMAN. The time of the gentleman from Iowa [Mr. HOEVEN] has expired.

Mr. COOLEY. Mr. Chairman, I yield such time as he may desire to use to the gentleman from Florida [Mr. SIKES].

(Mr. SIKES asked and was given permission to revise and extend his remarks.)

Mr. SIKES. Mr. Chairman, I want to congratulate the able chairman and members of the Agriculture Committee for their action on the sugar bill. The considerations involved are obviously most complex. Not only do the issues involve the foreign policy of the United

States but at the same time involve a compromise of many of the legitimate interests concerned with sugar. I favor the provisions in the bill conferring authority upon the President to determine the Cuban quota during this year and next. When permanent legislation is enacted it should resolve important questions which necessarily could not be concluded in the time available to get this bill before the House. I think we must face up to the problem raised by Castro in Cuba. The present situation is intolerable. In the next bill I feel strongly that opportunity should be taken to improve the relations between the United States and some of its good friends in Latin America who are not now given a sugar quota. I think domestic consumption also should be expanded.

Let me point to the fact that five good Latin American friends of the United States who are not presently included in the U.S. sugar program have requested that they now be included for a quota. These countries are Brazil, Colombia, Ecuador, El Salvador and Guatemala. While I am sympathetic to the needs of the countries presently coming under the quota system, I am convinced that it is important and equitable to consider the needs of these five countries whose interests are likewise legitimate and likewise essential to the best interests of the United States and to the Western Hemisphere. Possibly there are others.

The great State of Florida can tremendously expand its sugar production and so can other States. This can be very important to our domestic economy and should be permitted.

Surely, the interests of our own States and of the major Latin American friends of the United States are too important not to be considered. In this bill this is not done. None of the good friends of the United States are mentioned by name. I think it would be in the best interests of the United States and of the entire Western Hemisphere if our own States and some of our good friends were designated for a specific quota under any sugar legislation which is to be enacted in this Congress. However I recognize the problem of time which now governs our actions.

It is essential that we demonstrate no favoritism among our friends by considering the legitimate needs of some and excluding the legitimate needs of others. It may not be possible to fulfill the total requests of the new countries in the complicated fabric of sugar compromise, but at least as a minimum their needs should be met in part. In this way they can be assured that they are not the forgotten friends and allies of the United States.

I favor this legislation but I urgently hope that the changes I have suggested will be incorporated by the other body or in later legislation. It is essential that legislation on this subject be enacted and that the present intolerable situation be corrected as rapidly as possible.

Mr. COOLEY. Mr. Chairman, I yield such time as he may desire to use to the gentleman from Florida [Mr. ROGERS].

Mr. ROGERS of Florida. Mr. Chairman, I rise in support of this legislation. I think it is past time for us to do something on the Cuban situation.

(Mr. ROGERS of Florida asked and was given permission to revise and extend his remarks.)

Mr. ROGERS of Florida. Mr. Chairman, this bill is one of the most important pieces of legislation to be considered by the 86th Congress.

Not only is it important to our domestic sugar industry but the rapidly deteriorating state of our relations with the Communist-studded Castro government has resulted in sugar becoming a political pawn in the hemispheric waiting game we have been playing. When sugar is mentioned, we no longer think in terms of a common household commodity but rather our thoughts turn to Cuba, Castro and communism.

Cuba is the world's largest producer of sugar and the United States is the largest consumer. For many years now, Cuba has occupied a preferred position in the American sugar importation structure. This has resulted from a sincere desire on our part to secure the bonds of friendship between our two countries by aiding in stabilizing Cuba's one-crop economy. With each succeeding extension of the Sugar Act, the Cuban sugar industry has fared very well, more so, on occasion, than our domestic sugar industry.

Now that the time has come to again consider extension of the act, we find that the political complexion of Cuba has experienced violent change. The friendly attitude which has prevailed down through the years has been supplanted by one featuring the Communist "big lie" technique. Castro and his henchmen have accused us of everything from "economic imperialism" to actually plotting an armed invasion of Cuba, evidently hoping to focus the attention of the world away from their apparent objective of communizing Latin America.

The seizures of American investments in Cuba—the indignities and insults heaped on the United States by spokesmen of the revolutionary government of Cuba are public knowledge and need not be recounted here. Suffice it to say that our attempts to cope with the rapidly developing crises in Cuba through a policy based on patience and forbearance have resulted in sad failure.

It is in this atmosphere of tension, discord and hostility that we are considering this legislation today. Castro warns that any cut in the Cuban sugar quota will result in wholesale confiscation of American-owned business and property in Cuba. To this threat we might logically answer that almost \$500 million in American investments have already been confiscated with no hint of repayment. It would seem, then, to be only a matter of time before all American properties in Cuba will be seized, sugar quota or not.

This bill, described by Castro as "immoral, stupid and criminal," would provide an effective answer to Castro's insolent challenge. We have seen by now, I am sure, that things are not going to get any better. We have been patient and forbearing far beyond what might

be expected of reasonable men. In truth, we have backed up just about as far as we can go. We do not have any more cheeks to turn, consequently we have no alternative left but to take a positive stand.

Since sugar has become such an important instrument of our foreign policy, control over its importation is properly within the province of the executive branch. Should the President determine that a sugar quota can be allotted to Cuba without endangering our national interest, this legislation gives him that prerogative. Should the President set the Cuban quota at less than is provided for in the present law, this reduction under the bill would be apportioned to domestic areas, the five nations with quotas of less than 10,000 tons, the Philippines, to full-duty nations which have quotas under the Sugar Act and to foreign nations without regard to allocation, in that order.

Under present law, any nation against whom a deficit has been declared, may ship into the United States its full quota notwithstanding the declared deficit. This bill would permit the Secretary to reduce the quota of any nation or area unwilling or unable to supply its quota by the amount of the declared deficit.

Other than these changes and one or two technical amendments, this bill would simply extend the present Sugar Act to December 31, 1961.

Mr. Chairman, for obvious reasons, it is difficult to tell at this time what effect this bill will have on our domestic beet and cane sugar industry. A simple 1-year extension of the present act under the conditions imposed by this bill, while it may not lend certainty nor permit long-range planning, is nevertheless necessary at this time.

I would like to have seen a provision added which would allow for the expansion of our domestic sugar industry by providing quotas for new domestic areas much the same as provided in the sugar bill proposed by the junior Senator from Florida. Some provision is made for new producers under this bill but, in my opinion it is not sufficient to establish a foundation on which to base a successful operation.

I would like to have seen a provision added to this bill to grant to domestic producers a fixed amount of the traditional Puerto Rican deficit. Under present law, domestic areas share in this deficit in an amount dependent on the size of the deficit. I feel that it is not unreasonable for the domestic sugar industry to request a fixed amount of this deficit in view of the certainty and stability such provision would lend to its operations.

Mr. Chairman, I hope that the committee will give every consideration to expanding and enlarging our domestic sugar industry when it considers the sugar bill next year. I hope that the conditions and tensions which exist now and which have given rise to this legislation in its present form will have eased somewhat by that time. We have seen what can happen when we permit any one nation a virtual monopoly on U.S. imports of a commodity and I feel sure

that the committee will give careful consideration to this fact in the future.

Mr. Chairman, I sincerely believe that enactment of this legislation is in the national interest. In my opinion, the national interest dictates that the Cuban quota should be cut and I hope that the President will exercise the authority which he requested and which is provided in this bill. If we are leaders of the free world, we cannot sit idly by exercising patience and forbearance in the face of threats made by a Communist puppet. Castro has delivered the challenge—I say, let us call his bluff.

Let us be prompt to take whatever positive steps as are necessary whether they be economic sanctions or actions through the Organization of American States such as I have proposed by resolution. Let us be quick to meet Castro's challenge as leaders should.

Mr. COOLEY. Mr. Chairman, I yield such time as he may desire to the gentleman from Florida [Mr. FASCELL].

(Mr. FASCELL asked and was given permission to revise and extend his remarks.)

[Mr. FASCELL addressed the Committee. His remarks will appear hereafter in the Appendix.]

Mr. COOLEY. Mr. Chairman, I yield such time as he may desire to the gentleman from Florida [Mr. HALEY].

Mr. HALEY. Mr. Chairman, I rise in support of this legislation. I think it is long overdue. I think this is a step we should have taken months ago.

(Mr. HALEY asked and was given permission to revise and extend his remarks.)

Mr. HALEY. Mr. Chairman, a few years ago, foreign policy was of little concern to the average American. It was left to a few specialists. But two World Wars, Korea, a continuing cold war, and our multibillion dollar programs to rebuild the world have changed that.

I think foreign policy now has become too important to be left in the hands of the experts. The American citizen who votes for his officials needs to know about foreign policy, as he does about domestic issues, and every official must speak out on both.

I am concerned today by matters of foreign policy which may seem small potatoes to an administration wrapped up in global and superterrestrial policies of the nuclear space age, but which, it seems to me, are of utmost immediate importance.

It would be false to say that I am not concerned by long-range problems of foreign and space policy. But I do not think that in concern for the distant future, we can afford to forget the immediate future. It is for that reason that I am alarmed about our policies with regard to Cuba.

My mail indicates that the people of my district are rightfully concerned about this proposal, which has been advanced in legislation introduced in both the House and the Senate.

I also am concerned about it. It seems to me that the Congress should take this step.

As to Cuba: I do not like to disagree with able colleagues in the House of Representatives, but I emphatically believe we must act now to show Castro we will not be imposed upon. We must use hard economic sanctions—and in the sugar field they are powerful—to show we will not be clobbered by a tiny nation made free by us, its freedom guaranteed by us in the Monroe Doctrine.

Our kid-glove approach to Castro's seizure of American property has cost us prestige all over the world, but particularly in Latin America. I think we must make the Monroe Doctrine apply to today's technique of cold war enemy infiltration, as much as it originally did to armed enemy invasion of our neighbors, and that we must stop the enemy in Cuba, not by bullets, but by hitting Castro where it hurts—in the pocketbook.

If we fail, we are in danger. Already, the Republic of Panama is showing its muscles against us. A few days ago, the House acted to keep the Panamanian flag from flying from our flagpoles in the Canal Zone. The Republic was indignant at this mistreatment.

There was no mistreatment, of course. The move to fly the Panamanian flag in our Canal Zone is nothing more than the first step in an effort to nationalize the canal and create another Suez crisis, and perhaps another Nasser. I pray that the Senate will stand firm beside the House in this issue, despite diplomatic and other pressures from within and without.

Mr. Chairman, I am glad that the Congress has finally decided to do something effective, or at least lay the groundwork for effective action, about Fidel Castro's Cuba. I said a few weeks ago that I thought the time had come to deal with Castro by hitting him where it hurts: In the pocketbook. The President's proposal that he control sugar quotas would open the door to doing that.

I am frank to say that I do not think the White House request for discretionary control over sugar quotas goes quite far enough in letting Castro know that this country means business. But even the moderate plan suggested has run into some opposition, and it is unlikely that any more than the President asked could be approved.

For myself, I would like some assurances that the President would, if granted discretionary authority over quotas, use that authority to make drastic reductions in the Cuban sugar quota whenever U.S. investments in Cuba are seized. If that course should be followed, then we really would be hitting Castro where it hurts.

In my own personal opinion, we would be doing more than that. We would be stopping Castro cold in his tracks, I believe.

I think this little Cuban dictator must be stopped with certainty, and the sooner the better. U.S. citizens, I am told, have \$3 billion invested in Cuba, and many of these investors, incidentally, are Floridians. I certainly would not have this country take any rash and

abrupt action, but the time comes when a nation must have the courage to protect its own people and its own equity.

If the time has not yet come when this country must display that courage, the day when it must do so certainly is fast approaching. Approval of the President's request for discretionary authority would, it seems to me, put our Government in a position to protect our people and our equities.

Some will object that such a program might endanger this country's sugar supply—that the United States cannot deal harshly with Castro, even to protect its own interests, because we must have assurance of Cuban sugar in event of war. I think this argument is, in the main, nonsense. In the first place, I do not think Castro would even think of losing the U.S. sugar market—tough action would call his bluff. But in the second place, there is no reason the Government could not set up a training corporation to buy sugar on the world market, at less than we now pay for Cuban sugar.

I am told by some experts on this matter that such a corporation not only could acquire all the sugar we need, even in emergency, but could make a profit of \$125 million a year. This profit, incidentally, could be used to reimburse American citizens who lose properties in Cuba. I think such a plan is deserving of consideration.

Mr. COOLEY. Mr. Chairman, I yield such time as he may desire to use to the gentleman from New Jersey [Mr. GALLAGHER].

(Mr. GALLAGHER asked and was given permission to revise and extend his remarks.)

Mr. GALLAGHER. Mr. Chairman, I rise in support of the legislation.

Mr. Chairman, on March 14, 1960, I introduced a bill, H.R. 11138, to extend the Sugar Act of 1948 and to authorize the President to reduce the sugar quota to Cuba where necessary to protect the national interest. Two days later the administration requested a similar measure.

As I stated then and feel more strongly now that the plan proposed in my bill was the product of my concern with the folly of automatically renewing the present Sugar Act in view of Castro's charges that this act was enslaving the Cuban people. I was also concerned that in eliminating Cuba from the Sugar Act we may be creating additional hardships for the Cuban people, which is not the desire of anyone in the United States.

I feel that the flexibility of permitting the President to adjust or eliminate the Cuban sugar quota at any time during the life of the bill if he deemed it necessary to protect the national interest is a vital necessity. We must adopt a realistic attitude in view of the new challenges presented to us by the irresponsible conduct and policies of Castro.

Cuba, because of its natural advantages as a sugar producer, has a large excess capacity and must therefore regulate its own production. In addition to providing an assured market for over half of its annual production, the U.S. quota for Cuban sugar also allows Cuba to benefit from the highest U.S. price on

the commodity. As a matter of fact, a disproportionate share of the U.S. quota is in the hands of Cuba, and has enabled her to use the premium paid by U.S. consumers to subsidize sales to the Soviet Union and other Iron Curtain countries at prices beneath the world market price.

I believe that we have demonstrated great patience toward the outrageous accusations made by Castro against the United States. We have acted with dignity and maturity in this very difficult situation. I believe, however, that we must show our friends and those not so friendly that we can act with dignity, and patience, but at the same time with firmness.

I do not feel that merely because we are strong and powerful we must constantly assume a bovine posture when some irresponsible leader of a small nation challenges our national integrity. Because we are a great freedom loving nation we have greater responsibilities and obligations in the exercise of understanding toward the less fortunate.

This, however, should not be allowed to become the basic premise of every hostile planner seeking to undermine the prestige or power of the United States for they interpret this as a hole in our armor rather than a virtue in our national character. We should not allow our enmity to become a greater advantage than our friendship. The opinion of our enemies whether voiced directly or indirectly should never outweigh our own good sense of doing what we think is right. Dependent on our sense of right is the real hope for freedom everywhere.

Mr. COOLEY. Mr. Chairman, I yield such time as he may desire to use to the gentleman from Louisiana [Mr. McSWEEN].

Mr. McSWEEN. Mr. Chairman, I rise in support of this legislation.

(Mr. McSWEEN asked and was given permission to revise and extend his remarks.)

Mr. McSWEEN. Mr. Chairman, I rise in support of H.R. 12311. We in the Agriculture Committee have worked on this legislation for several months. When the committee first reported a bill several weeks ago I supported the proposal to give the President certain authority to protect the best interests of this Nation. I am happy that the bill now before us contains this Presidential authority, as reported this week by the Committee.

Under the circumstances and considering the demagogic and insulting and defiant conduct of Fidel Castro, this is a proper bill to pass. The 1-year extension is not wholly satisfactory. Producers are thereby handicapped, because you cannot plan sugar production ahead on the basis of a 1-year law. However, perhaps the air will be cleared by next year, when it is hoped that a new sugar act with the traditional 4-year term can be enacted.

Today, this is the best solution to this most difficult problem. I urge its passage.

Mr. COOLEY. Mr. Chairman, I yield such time as he may desire to the gentleman from Maine [Mr. COFFIN].

(Mr. COFFIN asked and was given permission to revise and extend his remarks.)

[Mr. COFFIN addressed the Committee. His remarks will appear hereafter in the Appendix.]

Mr. COOLEY. Mr. Chairman, I yield such time as he may desire to the gentleman from Illinois [Mr. O'HARA].

(Mr. O'HARA of Illinois asked and was given permission to revise and extend his remarks.)

[Mr. O'HARA of Illinois addressed the Committee. His remarks will appear hereafter in the Appendix.]

Mr. COOLEY. Mr. Chairman, I yield such time as he may desire to the gentleman from Delaware [Mr. McDOWELL].

(Mr. McDOWELL asked and was given permission to revise and extend his remarks.)

Mr. McDOWELL. Mr. Chairman, the U.S. Government has begun facing up to the failure of its policy of patience and forbearance where the Government of Cuba is concerned. The State Department has submitted a memorandum to the Inter-American Peace Committee, an organ of the Organization of American States, accusing the Government of Cuba of a systematic campaign of slander and hostile propaganda against the Government of the United States.

Prime Minister Fidel Castro seized one of the two American-owned oil refineries in Cuba after telling a mass meeting that he was ready to take over the property of all Americans in Cuba.

The seizure order against the Texaco Oil Co.'s plant in Cuba followed its refusal to handle crude oil imported by the Government of Cuba from the U.S.S.R. in exchange for sugar.

The Cuban Prime Minister accused Texaco, in a formal resolution, of violating a 1938 law that directs all refineries in Cuba to refine state-owned oil at the orders of the government.

The Associated Press, in a report from Havana dated June 29, said:

Hoarse with anger, Castro told his followers the United States was decadent and called the new Sugar Act, being deliberated by Congress, immoral, stupid, and criminal.

In his anti-American attack last night, Castro warned that for every pound cut by the United States from Cuba's sugar quotas, his government will take one of the 36 American-owned sugar mills here. The American mills, which produce a third of Cuba's sugar, are valued at from \$100 million to \$200 million.

American citizens are no longer secure in their persons in Cuba, just as American property is no longer safe from seizure.

One of the most recent instances was the case of two American women whose husbands were attached to the American Embassy in Havana.

According to the United Press International report of June 28 their diplomatic status made little difference to the agents who brandished rifles and tommy-guns in attempting to arrest them.

The UPI report said:

The men from Premier Fidel Castro's intelligence (DIER) organization tried to arrest them for snapping souvenir photographs

of a clock tower and of a heavily carved wooden door in the suburban Miramar section of Havana.

Certainly the increasing aggressions in Cuba have not been provoked by the U.S. Government, or the citizens of the United States.

Our relations with Cuba have been of the friendliest kind through many decades.

But one thing is clear, it seems to me. The Cuban economy is based on sugar. Without the continuing purchase of the 3 million tons which is taken up by the American market, the Cuban economy will founder.

It is high time that the bluff of the Cuban Prime Minister and his colleagues was called.

The Soviet Union now takes a million tons of Cuban sugar.

The United States would be better off if we cut down on our sugar consumption, and it is high time—in any event—to cut down on our consumption of Cuban sugar.

Let the Cuban Government find another customer or an entire group of customers who can buy sugar in the vast amounts which the United States consumes.

The Cuban Prime Minister is addicted to long speeches.

Let us give him a short answer, one that both he and his colleagues can understand, an answer that is direct and to the point.

I have today introduced a House Resolution which is in sum the only kind of an answer that the inflated leaders of Cuba today can understand.

My House Resolution states that it is the sense of the House of Representatives of the United States, as the directly elected representatives of all citizens of the United States, that serious consideration should be given by the President and his advisers to the withdrawal of diplomatic recognition of the present Government of the Republic of Cuba.

Perhaps the new found friends of Cuba in the Soviet Union can buy the Cuban sugar which the United States has purchased for so long.

But, my belief is that they will not find Cuban sugar sufficiently important to them or to their economy to take the place of the United States as the largest consumer of Cuban sugar in the world.

If Cuba's splendid people understand that they must sell their sugar or their economy will be destroyed they will themselves find the way to deal with the present misleaders and fomenters of hatred who have seized the Government of this proud young Republic by force of arms and revolution.

Mr. COOLEY. Mr. Chairman, I yield such time as he may require to the gentleman from Illinois [Mr. PUCINSKI].

Mr. PUCINSKI. Mr. Chairman, I have heard a lot of statements here about Cuba and Castro and a lot about the extension of the act, but will the gentleman be good enough to tell me what this bill does?

Mr. COOLEY. I am going to do that in just a minute.

Mr. PUCINSKI. I thought we were getting ready to vote on this.

Mr. COOLEY. Mr. Chairman, I yield such time as he may desire to the gentleman from Colorado [Mr. ASPINALL].

(Mr. ASPINALL asked and was given permission to revise and extend his remarks.)

Mr. ASPINALL. Mr. Chairman, I congratulate the committee on having brought what I consider to be a very satisfactory bill under the circumstances before the House. I am glad to support it.

Mr. COOLEY. Mr. Chairman, I ask unanimous consent that all Members desiring to do so may be permitted to extend their remarks in the Record at this point on the bill now under consideration.

The CHAIRMAN. Is there objection to the request of the gentleman from North Carolina?

There was no objection.

Mr. McINTIRE. Mr. Chairman, I am in support of this bill. It is a compromise, and long overdue, in that for too long a time have we been giving economic assistance to Cuba under the provisions of the present Sugar Act. The authority this bill gives to the President is very much needed due to the present situation in Cuba.

I believe that early consideration to this act in the next Congress, and careful thought must be given to the importance of our east coast refining industry as the legislation is revised. Careful attention must be given to the domestic sugar industry. There must be an appropriate balance between the east and west parts of the country as to price and supply.

The Committee on Agriculture has a very heavy responsibility as it considers sugar legislation in the next Congress.

Mrs. ST. GEORGE. Mr. Chairman, and Members of the Committee, the present bill has been given deep and searching thought by the great Committee on Agriculture. Unfortunately, they have come up with a piece of legislation which once more does something that we in the Congress, of late, are far too prone to resort to, namely, we are passing the whole problem on to the Executive, without very many guidelines of any kind, and merely shifting responsibility that we should assume ourselves to the shoulders of the President of the United States.

I have introduced, and would like to present as an amendment, H.R. 9376. This bill would merely prohibit the United States from paying a bonus to Cuba for its sugar.

I am fully aware that there are interests in this country, namely sugar producers, who themselves favor this agreement because it boosts the price of their own commodity by paying a bonus to Cuba for their sugar. I do not feel that under the present conditions this should be considered a valid reason to subsidize the enemies of our country.

I have received a bulletin sent out through the Cuban Embassy, which is highly critical, not to say inimical, to the United States and all its policies. Here is a quotation from the bulletin:

Cuba has already sold 65 percent of its world market sugar quota of which 1,340,000

tons were sold before February 5. Reports from the Sugar Stabilization Institute show that 75 percent of the quota for sale or release, amounting to 995,143 tons, has also been sold. After the announcements that the U.S.S.R. has bought 575,000 tons, the United Arab Republics 76,000, and Poland and Socialist China 50,000 tons, the Minister of Commerce, Dr. Cepero Bonilla, stated that "this year the sugar warehouses will be cleaned up."

Therefore, the Republic of Cuba is really in no need to send any more sugar to the United States. As we all know, the United States is well able to get the necessary sugar for its own use without paying any bonus to Cuba or any other country.

Mr. Chairman, we of course are always jealous of the rights of others, particularly if they are revolutionists or if they are more or less affiliated with the Soviet Republic. I should like to call your attention to a fact which is noted in many newspapers, notably the Wall Street Journal, which on its front page carried this item:

Cubans are enslaved by the 3 million tons of sugar the United States buys annually from the island at prices well above the world market. Ernesto Guebara, Castro's chief economic adviser, made this charge in a television address at Havana. These purchases, he said, had made Cuba dependent on sugar and kept the country in a semi-colonial state until Castro's revolution. He made clear, however, the Castro regime is not ready to give up the \$150 million a year bonus the United States pays for Cuban sugar.

I personally would like to introduce as an amendment my bill, H.R. 9376, which merely prohibits the paying of a bonus on Cuban sugar and would force its importation simply at the world market price. According to the fulminations of the Cubans themselves, this would be entirely acceptable to them. They claim we have made them a one-crop economy. They also claim very great delight at doing business with the U.S.S.R., the latter paying simply the world market price for their sugar and apparently, in some instances, buying it through a barter system.

I wish to reiterate that the bill that I propose to offer as an amendment would in no way curtail or prohibit the importation of Cuban sugar.

Mr. ALGER. Mr. Chairman, it seems to me that action against Cuba is long overdue. Why subsidize your enemy? Why delay responsible action as we have done up to this point? Why has the House Democrat leadership delayed so long in programing this bill before committee and Congress. As we face a recess adjournment instead of adjournment sine die, I am reminded once again of the failure of Democrat leadership to provide leadership. As for Cuba and Castro, I do not believe that the House should relinquish its traditional jurisdiction over this trade policy. Obviously something must be done and done now to stop this expensive subsidy to Cuba. Meanwhile, we can release our domestic producers to provide this sugar and also buy from friendly allies.

Mr. COOLEY. Mr. Chairman, I yield myself 8 minutes.

Mr. HOFFMAN of Michigan. Mr. Chairman, will the gentleman yield?

Mr. COOLEY. I yield.

Mr. HOFFMAN of Michigan. Why can we not vote now?

Mr. COOLEY. One Member asked me about that a moment ago, but I want to make a statement about this bill now.

Mr. HOFFMAN of Michigan. He can read it in the RECORD tomorrow.

(Mr. COOLEY asked and was given permission to revise and extend his remarks.)

Mr. COOLEY. Mr. Chairman, this is a very simple proposition, and I assume most Members know what we are voting on, a 1-year extension of the sugar program, which has been one of the most successfully operated programs we have had for agriculture at any time during the time I have served in Congress.

I have served on the committee for 26 years and have participated in the preparation and passage of all the sugar legislation which has been enacted during the time I have served on the committee.

No one rushed us to open up the quota provisions of this complicated sugar legislation during the entire first session of this Congress and no one has rushed us to open it up during this session, so we have not had any hearings.

However, I commend to your attention this very fine and comprehensive report which we have filed, which contains some very good, factual information concerning the program and how it has operated and what it has meant to the people of America, both producers and consumers. It is vital to the welfare not only of our producers but also to our consumers in this country. Without this program all of the producers of this country would be facing financial difficulties.

The committee did take it upon itself to revise the quota provisions applicable to the small countries like Haiti, Panama, Costa Rica, Formosa, and maybe one other country. There are other countries that should be included.

I should like very much to see some of the other smaller countries like Ecuador, Guatemala, Colombia, and El Salvador included in this program. When we open the hearings in the next session of Congress and go into the quota provisions, I want to assure everyone interested in the sugar legislation that they will be given an opportunity to be heard. We know that it is a difficult thing. We had hearings in 1956. We held exhaustive hearings. The bill passed the House at that time without opposition. Fortunately we are presenting a bill here that has the unanimous support of all the members of the Committee on Agriculture.

Mr. GARY. Mr. Chairman, will the gentleman yield?

Mr. COOLEY. I yield to the gentleman from Virginia.

Mr. GARY. Is it true that we are paying Cuba approximately 2 cents more per pound for sugar than Russia is paying them for the same kind of sugar?

Mr. COOLEY. I am quite certain that the gentleman is approximately correct in his statement.

Mr. GARY. Is it also true that we are paying them approximately a cent and a half more than the world market on sugar?

Mr. COOLEY. I do not know just what the difference is between the world market and what we are paying, but we are paying Cuba something more than the world market.

I want to say this: This bill was not enacted for the protection of any offshore producing area, it was enacted primarily for the purpose of protecting the American producers of sugar, including the Hawaiian Islands and Puerto Rico. It has accomplished that purpose. We have protected our producers.

Unfortunately, our producers do not compete in price with other sugar-producing areas of the world. The gentleman talks about Russia getting Cuban sugar more cheaply than we get Cuban sugar, but that does not mean anything to the housewife in Russia because the Russian housewife is not paying what the American housewife is paying, she is paying 30 cents a pound for sugar.

Mr. GARY. It means a lot to Castro. I for one am not willing to pay Cuba any more for sugar than they are charging Russia as long as Castro is at the head of the government. I will go along with this legislation, but I hope that somebody will offer a motion to recommit to fix the price at not to exceed that being paid by Russia.

Mr. JENNINGS. Mr. Chairman, will the gentleman yield?

Mr. COOLEY. I yield.

Mr. JENNINGS. Mr. Chairman, I want to agree that this legislation should be extended. Under the emotional strain that exists today between the United States and Cuba this is no time to revise the Sugar Act. However, I would ask the gentleman from North Carolina if he does not feel that we should have a study in depth by a special subcommittee or by the Committee on Agriculture itself pertaining to the entire Sugar Act.

Mr. COOLEY. I can assure my friend that the sugar legislation should be carefully considered and studied either by a special subcommittee set up for that purpose or by one of the regular standard subcommittees of the Committee on Agriculture.

Mr. JENNINGS. Will the gentleman agree that anything in this act will not be considered as a precedent in the future?

Mr. COOLEY. No; we have set no precedent here at all except I think we have given consideration to the little countries. I doubt that we will ever be willing to take away what we have given them here. As I said a moment ago I would like to have included some other small producing countries.

Mr. JENNINGS. I quite agree with the gentleman.

Mr. GROSS. Mr. Chairman, will the gentleman yield?

Mr. COOLEY. I yield.

Mr. GROSS. What would be the situation if this bill were not to be adopted?

Mr. COOLEY. The Sugar Act would expire on December 31 and chaos would ensue in the sugar markets of America. Our producers, Hawaii, the Philippines, Puerto Rico could face bankruptcy. Then if Cuban sugar were to come in, the market would be absolutely demoralized, and it would ruin all phases of the sugar industry. So far I have not discussed the bill to any extent, but I shall go more into detail.

Mr. McCORMACK. Mr. Chairman, will the gentleman yield?

Mr. COOLEY. I yield to the gentleman from Massachusetts.

Mr. McCORMACK. If this bill does not pass, it will enable the Castro regime to manipulate sugar and sugar prices at our expense. He could hold back sugar, he could manipulate prices, and in the light of the circumstances of the last few months, it seems that this is the most satisfactory way to approach the present situation.

Mr. COOLEY. As the gentleman says, by withholding sugar he could force prices up; by bringing sugar into the market he could force prices down.

Mr. ABBITT. Mr. Chairman, will the gentleman yield?

Mr. COOLEY. I yield.

Mr. ABBITT. The gentleman in his remarks stated that no hearings were held. It seems to me I recall the Secretary of State being before the committee.

Mr. COOLEY. He did appear at the hearings to talk about the policy phases of it, not about the allocation of sugar.

Mr. ABBITT. This is my concern. It would seem to me that this all will and could affect sugar policy, but I am wondering whether we are confusing sugar policy with foreign policy.

Mr. COOLEY. I have said all along through the years, that I thought it would be very unfortunate to use a farm

bill for political purposes, as this might be used. But in the legislation we trust the President to fix the foreign policy of the country. He cannot give Castro a ton of sugar unless he affirmatively finds that it is in the public interest or national interest to do so.

Mr. ABBITT. If the gentleman will yield further, is there any coordination, can the gentleman tell me, between this committee in matters of this kind and the Foreign Affairs Committee of the House.

Mr. COOLEY. There has been no collaboration between the two committees. We called Mr. Herter in to tell us what the policy of the State Department was.

Mr. HAYS. Mr. Chairman, will the gentleman yield?

Mr. COOLEY. I yield.

Mr. HAYS. Will the gentleman tell me if there is anything in this act about Castro's withholding sugar? A lot has been said about what might happen if he withheld sugar. Is there anything in this act which would keep him from withholding sugar if he wanted to?

Mr. COOLEY. No.

Mr. JENSEN. Mr. Chairman, will the gentleman yield?

Mr. COOLEY. I yield.

Mr. JENSEN. I understand we pay Cuba about 150 or 155 percent of parity for sugar. Is that about right, that percentage of their parity?

Mr. COOLEY. I do not know anything about Cuban parity.

Mr. JENSEN. You will find that is about right.

Mr. COOLEY. We support sugar prices above parity in this country, that is true.

Mr. JENSEN. We pay Cuba at least 150 percent of her parity for sugar we buy from her but we refuse to pay our own farmers 90 percent of parity for the things the Government buys from our farmers, or to help them get a better market for their products.

Mr. COOLEY. I agree with the gentleman that Cuba receives favored treatment in the price of sugar.

Mr. WILLIS. Mr. Chairman, will the gentleman yield?

Mr. COOLEY. I yield.

Mr. WILLIS. It is correct, is it not, that under this bill which extends the Sugar Act for one year, standby powers are specifically granted to the President whereby if Castro—we all have quite mutual feelings about him—should fail or refuse to honor commitments, or in an emergency the President may act, and we do have this economic big stick in the bill. That is one of its magnificent provisions, in my opinion. That is correct, is it not?

Mr. COOLEY. The gentleman is right.

Mr. WILLIS. I would like to know about Castro withholding Cuban sugar from this country.

Mr. COOLEY. He can do that now, but under the bill if he does withhold it we can cut his quota down.

Mr. HAYS. That is all for the good. The point I am trying to make is, there is nothing to prevent him from withholding. He is the boss about that.

Mr. COOLEY. Right now that is true, but if we pass the bill the President can go anywhere to get the sugar.

Mr. McCORMACK. Mr. Chairman, will the gentleman yield?

Mr. COOLEY. I yield to the gentleman from Massachusetts.

Mr. McCORMACK. If Castro withholds the sale of sugar, the President can buy from friendly governments in South America and elsewhere, is that right?

Mr. COOLEY. That is right. If he withholds it from us the President can exercise the authority given to him under this bill.

Mr. PUCINSKI. Mr. Chairman, will the gentleman yield?

Mr. COOLEY. I yield to the gentleman from Illinois.

Mr. PUCINSKI. I am puzzled as to why we are spending \$65 million in sugar subsidies for the producers in this country.

Mr. COOLEY. I do not know where the gentleman gets the \$65 million. This bill has been operating for over 20 years. We have received and we are holding in the Treasury of the United States \$400 million plus over and above the amount of payments that have gone out to producers, \$480 million profit, if you want to call it that, to the Treasury of the United States.

The gentleman says it is a subsidy. Perhaps it is a subsidy but it is a subsidy to the producers of American sugarcane and sugar beets all the way from Hawaii to Puerto Rico.

Mr. Chairman, I present a brief summary of the bill and amendment before us, along with a detailed discussion of the sugar program, including statistical data.

The bill now before the House contains the following provisions:

First. A 1-year extension of the act to December 31, 1961.

Second. Presidential authority—whether Congress is in session or not—to establish the sugar quota for Cuba for the balance of 1960 and for 1961 at such level as the President shall find from time to time to be in the national interest, but in no event in excess of the Cuban quota under present law. If the President sets the Cuban quota at less

than present law, the reduction would be reapportioned as follows: (a) An amount equivalent to Cuba's share in the domestic deficit may be assigned exclusively to the domestic area; and then (b) to five nations whose quota is presently between 3,000 and 10,000 tons a sufficient quantity of sugar to bring each of them up to 10,000 tons. These nations are Costa Rica, Haiti, Panama, the Netherlands, and Nationalist China; and then, (c) to the Philippine Islands 15 percent of the remainder; and then, (d) to the full duty nations having quotas under the act—except those five nations mentioned in (b) above—the remaining 85 percent in amounts prorated according to the quotas established by the act; and then, (e) to any other foreign nations without regard to allocations.

The President also would have authority to obtain refined sugar if raw sugar was unavailable.

Third. A technical amendment recognizing Hawaii's full status as a State.

Fourth. A permanent change in the law which gives the Secretary of Agriculture the authority to reduce for the then current calendar year the quota of a foreign nation or an area, if that nation or area is unwilling or unable to meet its quota. The Secretary could reduce the nation's or area's quota by the amount of the deficit declared against it. This provision would prevent a country or area which had failed to fill its quota from disorganizing the U.S. market by shipping its full quota after a deficit had been declared against it.

Fifth. A provision applicable to the 1961 crop only which awards to new producers 75 percent of any increase in proportionate shares due to reallocated deficits.

Mr. Chairman, the bill before us is relatively simple. It extends for one calendar year—through 1961—the Sugar Act of 1948.

The committee amendment also is quite simple. It authorizes the President to establish the Sugar quota for Cuba for the balance of this calendar year, and for the calendar year 1961, at any level he finds to be in the national interest that is not in excess of the quota Cuba would have received under the regular operations of the provisions of the Sugar Act.

The committee amendment also stipulates the sources to which the President is to turn for sugar which he may decide not to obtain from Cuba. To the extent that the Cuban quota consists of deficits in domestic area quotas which have been reallocated to that country, any cut in the Cuban quota would be reallocated to domestic producing areas. It is generally understood that this would

amount to approximately 156,000 tons during the current calendar year.

Any amount above this would be allocated to foreign countries. There would first be allocated to five of our smaller foreign suppliers enough sugar to bring their quotas up to 10,000 tons each. These countries are Haiti, Netherlands, Formosa, Panama, and Costa Rica. The remainder will then be apportioned to other foreign countries now participating in our sugar program, with 15 percent being allocated to the Republic of the Philippines, and the balance divided pro rata among the other foreign countries which have sugar quotas.

If any of these countries are unable to fill this augmented quota, and let me say that I have no doubt some of them will not be able to do so if the allocations are of any substantial size, the President may then go outside our quota system and obtain sugar from any country in the world that has it to sell.

The powers that the committee amendment authorizes the President to exercise are very broad. It is not necessary, for example, that he should assign Cuba all of its quota at one time. The bill authorizes him to make these determinations "from time to time" and it would be entirely within his authority to assign Cuba only a relatively small quota at the start of 1961, for example, and then increase that quota from time to time, as conditions might warrant.

Nor, is it necessary for him to assign for reallocation to other areas under the formula provided in the amendment, at any one time, all of the difference between the quota he has established for Cuba and the quota which Cuba would have under the regular operation of the Sugar Act. This quantity too, may be made available for allocation to other countries from time to time and in such overall quantities as the President deems desirable.

I believe, Mr. Chairman, that we have in this bill and the committee amendment a real instrument for peace and stability in this hemisphere. Under the authority of this legislation, the President can, if he chooses, negotiate with the Government of Cuba about its share in our sugar market. Any agreement that is reached would be reached on the basis of a clear understanding of the privileges and obligations of both parties to the contract. There is no requirement in this legislation that one single pound of sugar be cut from Cuba's quota. Nor, on the other hand, is there any requirement that we should accept delivery of one single pound except that for which certificates of entry have been issued at the time this bill becomes law.

I would hope that it would not be necessary to cut the Cuban quota—that

negotiators for our Government would sit down with negotiators for the Cuban Government and reach a sensible agreement as to the responsibilities of both contracting parties which would permit delivery of the entire Cuban quota.

Mr. Chairman, our sugar program has been, up to this time, one of our most successful agricultural programs—both for producers and consumers of the United States and for our neighboring countries. I fervently hope that it will continue to be this kind of a program. Because this is such an important program, Mr. Chairman, and because there is such wide interest in it at this time, under unanimous consent I extend my remarks at this point by including an explanation, including some statistical material, of our sugar program and how it works.

Now, Mr. Chairman, I shall insert at this point a detailed discussion of the sugar program:

NATIONAL POLICY.

For many years it has been the policy of the U.S. Government—for defense and strategic reasons—to preserve within the United States the ability to produce a substantial portion of our sugar requirements. This has been done because sugar is an essential and vital food product needed by American consumers, the supply of which on a world-wide scale has been marked by periods of alternating scarcity and surplus.

A large portion of the world's sugar is grown in tropical countries where cheap labor is abundantly available. An additional large portion of world production is in countries which, like the United States, provide protection or subsidy to their sugar producers.

It is unlikely that a significant amount of sugar would be grown in the continental United States if American producers had to compete on the open world market with sugar produced with cheap tropical labor or under subsidy in other countries.

For years, protection was afforded to our sugar producers solely through the tariff. Although the tariff did assist domestic producers, it still left them exposed to the price fluctuations of the world sugar market. It also increased the price of sugar to consumers in the United States without assuring them of adequate foreign sources of supply.

A quota system which prorated domestic consumption among producers in the United States and a number of foreign countries was developed and enacted as law in 1934. The quota system was revised in 1937 and again in the present act which became effective in 1948. Since initiation of the quota system, the tariff on sugar has been reduced 75 percent and now represents only supplementary protection to the sugar industry.

A tax of 0.5 cent per pound is imposed on all sugar manufactured or imported into the United States. Payments are made to domestic producers of sugarcane or sugar beets at a rate which ranges from 80 cents per

hundredweight of recoverable sugar produced on small farms to as little as 30 cents per hundredweight of production in excess of 30,000 tons of sugar on large farms. To qualify for payments under the program, producers must comply with production restrictions, pay fair wages to workers, and not employ child labor and, if they are also processors, pay fair prices for sugarcane or sugar beets.

Income to the Government from the tax on sugar has been very substantially in excess of the amount disbursed as payments to domestic growers during each of the years under the program. In recent years the income from the tax has approximated \$90 million annually, while payments to growers have approximated \$65 million.

Since 1937 there has been a net return to the Treasury of over \$400 million in the difference between collections on the sugar excise tax and the actual cost of the stabilization program.

BASIC PURPOSES OF THE SUGAR ACT

Basically, the Sugar Act is intended to do three things: (1) Make it possible, as a matter of national security, to produce a substantial part of our sugar requirements within continental United States and to do this without the consumer-penalizing device of a high protective tariff; (2) assure U.S. consumers of a plentiful and stable supply of sugar at reasonable prices; and (3) permit nearby friendly foreign countries to participate equitably in supplying the U.S. sugar market for the double purpose of expanding international trade and assuring a stable and adequate supply of sugar.

The Sugar Act has been notably successful in attaining all three of these major objectives. Under its protection, approximately one-third of our total consumption of sugar is produced by growers within the continental limits of the United States and total domestic production (including Hawaii, Puerto Rico, and the Virgin Islands) fills 53 percent of our sugar quota. The Sugar Act has given us this security in supplies and at the same time has done so at a minimum cost to the consumer and taxpayer. Retail sugar prices in the United States have been remarkably stable since the enactment of the Sugar Act. Up to the present, our Sugar Act has been nearly as successful in attaining its third objective—the sharing of part of our market equitably among nearby friendly nations. Cuba furnishes about one-third of our needs and the Philippines about 11 percent. About 3 percent is imported from other foreign countries.

SUPPLY

Table 1 below shows how the various supplying areas have participated in the U.S. sugar market from 1900 through 1959. It will be noted that since 1948, all areas have shared equitably in the expanding sugar market in the United States. The lower figures for some areas in the past 2 or 3 years have resulted from production difficulties.

Table 2 shows the manner in which quotas have been distributed among the various producing areas in the past 6 years. Table 2(a) shows the final quotas for 1959 and unfilled balances, if any. Final quotas of Hawaii, Puerto Rico, and the Virgin Islands reflect adjustments for deficits.

TABLE 1.—*Entries and marketings of sugar in continental United States from all areas, 1900 to date*

[1,000 short tons, raw value]

Year ¹	Total	Continental United States ²		Hawaii	Puerto Rico	Virgin Islands	Philippines	Cuba ³	Other foreign countries	Year ¹	Total	Continental United States ²		Hawaii	Puerto Rico	Virgin Islands	Philippines	Cuba ³	Other foreign countries
		Beet	Mainland cane																
1900.....	2,413	92	312	252	36	(1)	25	353	1,343	1930.....	6,683	1,293	215	868	809	6	794	2,645	53
1901.....	2,963	198	364	345	69	(1)	2	550	1,435	1931.....	6,727	1,343	206	998	796	2	872	2,482	28
1902.....	2,574	233	373	360	92	(1)	6	492	1,018	1932.....	6,303	1,319	160	1,048	940	5	1,028	1,791	12
1903.....	3,143	258	278	387	113	(1)	9	1,198	900	1933.....	6,331	1,366	315	990	793	5	1,249	1,573	40
1904.....	3,023	259	415	368	130	(1)	31	1,410	410	1934.....	6,574	1,562	268	948	807	5	1,088	1,866	30
1905.....	3,118	335	390	416	136	(1)	39	1,029	773	1935.....	6,277	1,478	319	927	793	2	917	1,830	11
1906.....	3,350	518	273	373	205	(1)	35	1,391	564	1936.....	6,833	1,364	409	1,033	907	4	985	2,102	29
1907.....	3,701	496	394	411	204	(1)	13	1,618	565	1937.....	6,860	1,245	401	985	896	8	991	2,155	89
1908.....	3,331	456	415	539	235	(1)	19	1,155	512	1938.....	6,619	1,448	449	906	815	4	981	1,930	75
1909.....	3,730	548	332	511	244	(1)	42	1,431	622	1939.....	7,466	1,809	587	966	1,126	6	980	1,930	62
1910.....	3,789	546	355	555	285	(1)	88	1,755	205	1940.....	6,443	1,550	406	941	798	0	981	1,750	17
1911.....	3,801	642	361	506	323	(1)	115	1,674	180	1941.....	8,009	1,952	411	903	993	5	855	2,700	190
1912.....	3,927	742	163	603	367	(1)	218	1,593	241	1942.....	5,555	1,703	407	751	836	0	23	1,796	39
1913.....	4,382	784	301	543	383	(1)	102	2,156	113	1943.....	6,466	1,524	460	866	642	3	0	2,857	114
1914.....	4,431	773	247	557	321	(1)	58	2,463	12	1944.....	6,942	1,155	515	802	743	3	0	3,618	106
1915.....	4,718	935	139	640	294	(1)	163	2,392	155	1945.....	5,997	1,043	417	740	903	4	0	2,803	87
1916.....	5,000	878	311	569	425	(1)	109	2,575	133	1946.....	5,657	1,379	445	633	867	5	0	2,282	46
1917.....	4,808	819	246	581	489	6	134	2,335	198	1947.....	7,759	1,574	383	842	969	3	0	3,943	45
1918.....	4,430	814	285	540	336	4	87	2,280	84	1948.....	7,084	1,656	456	714	1,013	4	252	2,927	62
1919.....	5,352	777	122	579	364	10	88	3,343	69	1949.....	7,588	1,487	557	769	1,091	4	525	3,103	52
1920.....	6,337	1,165	176	550	413	13	146	2,881	993	1950.....	8,279	1,749	522	1,145	1,053	11	474	3,264	61
1921.....	5,412	1,091	327	541	469	6	175	2,590	223	1951.....	7,758	1,730	457	941	959	6	706	2,946	13
1922.....	6,807	722	296	568	360	6	265	4,527	63	1952.....	7,991	1,560	579	972	983	6	860	2,980	51
1923.....	5,831	943	172	519	342	2	238	3,426	189	1953.....	8,282	1,749	513	1,087	1,118	12	932	2,760	111
1924.....	6,463	1,166	90	677	393	2	339	3,692	104	1954.....	8,240	1,802	501	1,040	1,082	10	974	2,718	113
1925.....	6,934	977	142	755	600	11	493	3,923	33	1955.....	8,396	1,797	500	1,052	1,080	10	977	2,862	118
1926.....	7,024	960	48	747	559	6	380	4,280	44	1956.....	8,992	1,955	601	1,091	1,135	13	982	3,089	126
1927.....	6,809	1,170	72	777	574	6	531	3,650	29	1957.....	8,916	2,066	636	1,037	912	15	906	3,127	217
1928.....	6,691	1,135	136	878	674	11	575	3,249	33	1958.....	9,076	2,240	680	630	823	6	980	3,438	279
1929.....	7,587	1,089	218	882	507	3	711	4,149	28	1959.....	9,240	2,241	578	977	958	12	980	3,215	279

¹ Data on fiscal year basis 1900-18; calendar year basis 1919 to date.² Crop year production 1900-1930.³ Excludes sugar imported for foreign claimants as follows: 1942, 144,000 tons; 1943, 446,000 tons; 1944, 262,000 tons; 1945, 337,000 tons; 1946, 368,000 tons; 1947, 230,000 tons.TABLE 2.—*Basic and adjusted sugar quotas, 1954-59*

[Short tons, raw value]

Area	Basic quotas—Final						Adjusted quotas—Final					
	1954	1955	1956	1957	1958	1959 ¹	1954	1955	1956	1957	1958	1959 ¹
Domestic:												
Domestic beet.....	1,800,000	1,800,000	1,953,952	1,948,357	1,998,717	2,021,098	1,803,099	1,800,000	1,955,401	2,070,694	2,292,488	2,225,264
Mainland cane.....	500,000	500,000	601,250	599,528	615,024	621,912	500,861	500,000	601,696	637,172	720,805	684,735
Hawaii.....	1,052,000	1,052,000	1,090,496	1,087,373	1,115,479	1,127,970	1,043,000	1,052,000	1,091,305	1,060,000	700,000	977,970
Puerto Rico.....	1,080,000	1,080,000	1,140,253	1,136,987	1,166,375	1,170,437	1,081,859	1,080,000	1,141,098	920,000	815,000	969,875
Virgin Islands.....	12,000	12,000	15,549	15,505	15,905	16,083	10,500	12,000	12,000	14,753	6,100	12,405
Total, domestic areas.....	4,444,000	4,444,000	4,801,500	4,787,750	4,911,500	4,966,500	4,439,319	4,444,000	4,801,500	4,702,619	4,534,393	4,870,249
Foreign:												
Philippines.....	974,000	977,000	980,000	980,000	980,000	980,000	974,000	977,000	980,000	930,000	980,000	980,000
Cuba.....	2,718,720	2,859,840	3,089,760	2,993,897	3,060,475	3,090,065	2,723,401	2,859,840	3,089,760	3,127,028	3,437,582	3,186,316
Other foreign.....	113,280	119,160	128,740	213,353	248,025	263,435	113,280	119,160	128,740	215,353	279,304	263,435
Total, foreign areas.....	3,806,000	3,956,000	4,198,500	4,187,250	4,288,500	4,333,500	3,810,681	3,956,000	4,108,500	4,272,381	4,696,886	4,429,751
Grand total.....	8,250,000	8,400,000	9,000,000	8,975,000	9,200,000	9,300,000	8,250,000	8,400,000	9,000,000	8,975,000	9,231,279	9,300,000

¹ As announced Sept. 3, 1959.² This is 31,279 tons larger than "basic," above, because Peru acceded to the International Sugar Agreement in November 1958. This entitled Peru to enter its full

basic proration for the year even though the difference between her basic proration and the nonmember limit pursuant to the agreement had been prorated to other full duty countries before her accession occurred.

TABLE 2(a).—*Status of 1959 sugar quotas as of Dec. 31, 1959*

Area	Quota	Credit for drawback of duty	Charge to quota and offset to drawback of duty ¹		Unfilled balance	
			Total	Direct consumption ²	Total	Direct consumption
	Short tons, raw value					
Domestic beet.....	2,267,665		2,242,000		25,665	
Mainland cane.....	697,783		600,000		97,783	
Hawaii ³	977,970		976,852	21,574	1,118	1,118
Puerto Rico ³	969,875		⁴ 957,580	138,919	12,295	242
Virgin Islands ³	12,405		12,302		103	
Republic of the Philippines.....	980,000	0	980,000	31,464	0	⁵ 0
Cuba.....	3,215,457	3,266	3,218,723	375,771	0	⁶ 0
Other foreign countries.....	278,845	2,144	280,812	65,748	177	177
Total.....	9,400,000	5,410	9,268,269	633,476	137,141	1,537
Details of other foreign countries:						
Peru.....	95,527	1,107	96,634	10,004	0	0
Dominican Republic.....	81,457	903	82,360	8,983	0	0
Mexico.....	64,809	83	64,892	16,341	0	0
Nicaragua.....	14,027	0	14,027	10,778	0	0

TABLE 2(a).—Status of 1959 sugar quotas as of Dec. 31, 1959—Continued

Area	Quota	Credit for drawback of duty	Charge to quota and offset to drawback of duty ¹		Unfilled balance	
			Total	Direct consumption ²	Total	Direct consumption
Details of other foreign countries—Continued						
Haiti.....	7,014	11	6,862	3,515	163	163
Netherlands.....	3,731	0	3,730	3,730	1	⁵ 1
China.....	3,624	0	3,611	3,611	13	⁵ 13
Panama.....	3,624	40	3,664	3,664	0	0
Costa Rica.....	3,616	0	3,616	3,616	0	0
Canada.....	631	0	631	631	0	⁵ 0
United Kingdom.....	516	0	516	516	0	0
Belgium.....	182	0	182	182	0	0
British Guiana.....	84	0	84	84	0	0
Hong Kong.....	3	0	3	3	0	⁵ 0
Total.....	278,845	2,144	280,812	⁶ 65,748	177	177
Wine gallons of 72 percent total sugar content						
Liquid sugar: ⁷						
Cuba.....	7,970,558		7,970,558		⁵ 0	
Dominican Republic.....	830,894		830,894		0	
British West Indies.....	300,000		0		300,000	

¹ These data include the following: (a) Domestic beet and mainland cane sugar partly estimated; and (b) all other sugar entered as of Dec. 11, 1959.

² Includes raw sugar for direct consumption from Cuba, 16,236; Hawaii, 62; Republic of the Philippines, 6,792; Puerto Rico, 16; Haiti, 3,515; Peru, 43; total, 26,664.

³ Despite deficit declared, full quotas remained available as follows: Hawaii 1,140,462; Puerto Rico, 1,192,498; Virgin Islands, 16,261.

⁴ In addition, 117 tons of raw sugar were imported for processing and return to Puerto Rico.

COST

As has been pointed out, the objectives of the Sugar Act has been attained at a minimum of cost to the consumer and the taxpayer. The program is financed by a tax of one-half cent per pound raw value on all sugar processed in the United States and on all imported refined sugar. This tax has been offset by more than \$400 million, the total of all payments to domestic producers plus the cost incurred by the Department of Agriculture in administering the Sugar Act. Table 3 shows the total of such collections by years since the enactment of the Sugar Act in 1937. It is to be noted that the collections do not include tariff duties, which amount to approximately \$37.5 million per year, but only collections from the tax above referred to. Table 4 shows the payments which have been made under the act to the various domestic areas.

TABLE 3.—Sugar Act tax collection, 1938 to date

Fiscal year	Sugar tax collections ¹		
	Excise tax ²	Import tax ³	Total
1938.....	\$30,569,130	\$2,680,298	\$33,249,428
1939.....	65,414,058	3,494,627	68,908,685
1940.....	68,145,358	5,456,207	73,601,565
1941.....	74,834,839	4,859,760	79,694,599
1942.....	68,229,803	4,088,963	72,318,766
1943.....	53,551,777	3,520,064	57,071,841
1944.....	68,788,910	5,097,040	73,886,850
1945.....	73,293,966	3,522,414	76,816,380
1946.....	59,731,986	3,231,592	62,963,578
1947.....	59,151,922	5,115,447	64,267,369
1948.....	71,246,834	3,284,502	74,531,336
1949.....	76,174,356	4,698,867	80,873,223
1950.....	71,188,029	4,091,155	75,279,184
1951.....	80,191,884	3,613,479	83,805,363
1952.....	78,473,191	3,621,210	82,094,401
1953.....	78,129,880	5,005,959	83,135,819
1954.....	73,885,000	4,498,368	78,383,368
1955.....	78,512,000	4,177,097	82,689,097
1956.....	82,894,000	4,806,321	87,700,321
1957.....	86,091,000	4,305,501	90,396,501
1958.....	85,911,000	4,957,798	90,868,798
1959.....	86,378,000	5,683,187	92,061,187
1960.....			

¹ Imposed at a rate of 0.465 cent per pound on sugar testing 92 sugar degrees and for each additional sugar degree 0.00875 cent per pound additional (equivalent to 0.53 and 0.535 cent per pound on sugar testing 96 and 100 sugar degrees, respectively). On sugar testing less than 92 sugar degrees the rate is 0.5144 cent per pound of the total sugar content.

² Collected by the Internal Revenue Service on all sugar processed or refined in the United States.

³ Collected by the collector of customs on direct consumption sugar imported into the United States.

⁵ Sugar held in Customs custody pending availability of quota: Cuba, 5,551; Netherlands, 3,462; Canada, 641; Hong Kong, 42; China, 214; Philippines, 8,936; Cuban liquid, 87,092 gallons.

⁶ Under sec. 212(1) charges to quotas exclude the 1st 10 tons entered from West Germany, Guatemala, Japan, and from each country listed.

⁷ Under sec. 212(3) 13,072 gallons were entered from the United Kingdom and 900 gallons from Australia.

TABLE 4.—Sugar Act payments, by areas, 1937 to date ¹

Crop year	Sugar beet	Mainland cane	Hawaii	Puerto Rico	Virgin Islands	Total
1937.....	\$17,136,667	\$5,355,774	\$4,174,800	\$9,502,122		\$36,169,363
1938.....	22,073,345	6,311,779	8,594,431	8,871,084		45,850,639
1939.....	21,371,789	5,448,533	8,975,615	10,617,743		46,413,730
1940.....	23,262,539	3,887,750	8,851,542	9,566,735		45,568,566
1941.....	18,991,929	4,561,504	8,594,533	11,231,588		43,379,554
1942.....	20,770,909	6,955,080	8,147,494	13,122,990	\$26,320	58,022,793
1943.....	17,602,914	7,392,119	8,250,816	12,214,038	56,362	45,516,249
1944.....	18,632,477	6,646,061	8,210,656	13,061,033	41,380	46,591,607
1945.....	22,911,916	6,839,763	8,065,079	13,271,249	56,027	51,144,034
1946.....	27,735,230	6,536,104	6,574,448	15,000,552	66,758	55,973,092
1947.....	32,259,930	6,260,340	8,109,124	15,492,292	43,684	62,165,370
1948.....	23,206,938	7,202,755	7,628,611	17,667,677	64,142	56,770,123
1949.....	26,581,945	7,087,424	8,437,619	17,531,629	65,586	59,704,203
1950.....	33,744,012	7,826,663	8,471,294	17,148,914	133,510	67,329,393
1951.....	25,899,661	6,467,908	9,143,041	18,928,168	97,776	60,536,554
1952.....	24,735,741	7,977,490	9,398,138	16,900,951	145,120	59,217,440
1953.....	29,974,245	8,607,186	10,155,590	16,698,919	170,844	65,606,784
1954.....	33,224,656	8,051,294	9,932,469	16,220,824	127,750	67,556,993
1955.....	29,101,754	7,607,634	10,535,921	15,953,468	135,758	63,334,535
1956.....	31,287,969	7,330,693	10,179,146	14,683,659	167,144	63,648,611
1957.....	36,355,435	7,258,246	10,052,121	13,516,077	193,311	67,375,190
1958.....	² 36,309,000	7,397,473	7,430,239	14,873,728	124,999	66,135,439
1959.....					163,872	

¹ Includes abandonment and deficiency payments.

² Estimate.

PRICES

An outstanding feature of the U.S. sugar program is the price stability it has brought to our domestic sugar market. Although there are fluctuations, they are within a rather narrow range—reducing uncertainties and inventory problems for consumers. Industrial users of sugar are not compelled to carry excessive sugar stocks as a hedge against a sudden large price rise, nor do they fear that the value of the working stocks they have on hand will suddenly shrink. Similarly, the American housewife can reach for sugar on her grocer's shelf with confidence not only that it will be there but also that the cost will continue to be a negligible item in the family food budget. Both the industrial user and the homewife know that the price of sugar in the United States is not only stable, but it is also reasonable by any fair standard of measurement.

This has not always been the case, as is demonstrated by table 5, which shows the retail price of refined sugar from 1913 until shortly after the effective date of the 1937 Sugar Act. In June 1920, sugar reached a price of 26.7 cents per pound, and the whole period 1913-20 was marked by steady increases in sugar prices, combined with violent fluctuations. Fluctuations continued during the 1920's with a generally descending trend in prices but with prices for the first 7 years substantially above a reasonable level, as compared to the general price structure and the price of other foods. It will be noted also that even in the depression years of the early 1930's, sugar prices did not respond downward along with all other prices and the price of sugar was relatively high compared both to the general price level and consumer income.

TABLE 5.—Refined sugar, retail price per pound, by months, 1913-40

[Cents per pound]

Year	January	February	March	April	May	June	July	August	September	October	November	December	Annual average
1913	5.8	5.5	5.4	5.4	5.4	5.3	5.5	5.6	5.7	5.5	5.4	5.4	5.5
1914	5.2	5.2	5.1	5.0	5.0	5.1	5.2	7.9	8.0	7.2	6.2	6.1	5.9
1915	6.0	6.5	6.6	6.7	6.8	6.9	7.0	6.7	6.5	6.1	6.6	6.8	6.6
1916	6.7	6.9	7.5	8.0	8.6	8.7	8.8	8.5	7.7	8.2	8.6	8.3	8.0
1917	8.0	8.1	8.8	9.6	10.1	9.4	9.2	10.0	9.9	9.8	9.6	9.5	9.3
1918	9.5	10.6	9.2	9.1	9.1	9.1	9.2	9.3	9.6	10.6	10.8	10.8	9.7
1919	10.8	10.7	10.6	10.6	10.6	10.6	10.9	11.1	11.0	11.4	12.5	14.5	11.3
1920	17.8	18.8	18.7	20.2	25.4	26.7	26.5	22.9	18.3	13.9	12.8	10.5	19.4
1921	9.7	8.9	9.7	9.7	8.4	7.8	7.1	7.5	7.3	6.9	6.7	6.5	8.0
1922	6.2	6.4	6.5	6.7	6.6	7.1	7.6	8.1	7.9	7.9	8.1	8.3	7.3
1923	8.1	8.5	10.0	10.3	10.9	10.9	10.3	9.4	9.4	10.4	10.0	10.2	9.9
1924	10.0	10.1	10.2	9.7	9.0	8.1	8.2	8.0	8.4	8.6	8.6	8.5	9.0
1925	7.9	7.5	7.4	7.3	7.0	6.9	6.8	6.8	6.8	6.8	6.4	6.6	7.0
1926	6.5	6.6	6.5	6.5	6.6	6.8	6.8	6.8	6.8	7.0	7.0	7.1	6.8
1927	7.4	7.3	7.3	7.1	7.1	7.2	7.2	7.1	7.1	7.1	7.0	7.0	7.2
1928	7.0	7.0	7.0	7.0	7.1	7.1	7.1	6.9	6.9	6.8	6.7	6.6	6.9
1929	6.6	6.5	6.3	6.3	6.3	6.2	6.3	6.5	6.6	6.6	6.6	6.5	6.4
1930	6.5	6.4	6.3	6.2	6.2	6.0	6.0	5.9	5.8	5.7	5.8	5.8	6.1
1931	5.8	5.8	5.7	5.6	5.5	5.4	5.5	5.6	5.6	5.5	5.5	5.4	5.6
1932	5.3	5.3	5.2	5.0	4.9	4.8	4.9	5.0	5.0	5.1	5.0	5.0	5.0
1933	5.0	4.9	5.0	5.0	5.2	5.3	5.4	5.6	5.6	5.6	5.6	5.5	5.3
1934	5.4	5.4	5.4	5.4	5.4	5.4	5.7	5.7	5.7	5.7	5.6	5.5	5.5
1935	5.4	5.4	5.4	5.4	5.6	5.7	5.8	5.8	5.8	5.8	5.9	5.8	5.7
1936	5.7	5.6	5.5	5.5	5.6	5.6	5.7	5.7	5.6	5.6	5.5	5.5	5.6
1937	5.6	5.7	5.7	5.7	5.7	5.6	5.5	5.5	5.7	5.8	5.6	5.6	5.6
1938	5.5	5.6	5.5	5.4	5.4	5.3	5.3	5.2	5.1	5.1	5.2	5.2	5.3
1939	5.2	5.1	5.1	5.1	5.1	5.2	5.2	5.2	6.4	6.2	5.8	5.6	5.4
1940	5.4	5.3	5.3	5.3	5.2	5.2	5.2	5.1	5.1	5.1	5.1	5.1	5.2

Table 6 shows the price behavior of sugar since the effective date of the 1937 Sugar Act. Prices shown here are wholesale prices for refined sugar in New York. Column 1 shows the actual cash price of refined sugar which increased from 4.48 cents per pound in 1938 to 9.14 cents per pound in 1959. Columns 2 and 3 show the index of prices

of all foods and of per capita disposable income, respectively, and it will be noted that both of these categories have increased substantially more than the price of sugar. Column 4 shows that in comparison to the price of all foods, and of disposable income, sugar is substantially cheaper today than it was at the start of the sugar quota program.

Related to the price of all foods, sugar was 4.82 cents per pound in 1939 and only 4.17 cents per pound in 1959. Related to disposable personal income, sugar was 4.57 cents per pound in 1938 and is down to 2.48 cents per pound in 1959.

TABLE 6.—Wholesale prices of sugar (actual and adjusted), prices of all goods, per capita disposable income, and sugar distribution

Year	(1) Sugar price, net cash, New York (cents per pound)	(2) Prices of all foods (wholesale) (index numbers, 1935-39= 100)	(3) Per capita disposable income (index numbers, 1935-39= 100)	(4) Sugar prices adjusted for change in—		(5) Sugar distribution	
				Prices of all foods (cents per pound)	Per capita disposable income (cents per pound)	Total (1,000 short tons, raw value)	Per capita (pounds, raw value)
1938	4.48	93	98	4.82	4.57	6,643	102
1939	4.58	89	105	5.15	4.36	6,868	105
1940	4.33	90	112	4.81	3.87	6,891	104
1941	4.92	105	136	4.69	3.62	8,069	121
1942	5.45	126	169	4.33	3.22	5,466	81
1943	5.49	135	190	4.07	2.89	6,335	93
1944	5.46	133	206	4.11	2.65	7,147	103
1945	5.39	134	209	4.02	2.58	6,041	86
1946	6.34	165	221	3.84	2.87	5,621	80
1947	8.12	206	230	3.94	3.53	7,448	103
1948	7.60	222	251	3.42	3.03	7,343	100
1949	7.81	202	247	3.87	3.16	7,580	102
1950	7.84	207	266	3.79	2.95	8,279	109
1951	8.21	232	287	3.54	2.86	7,737	100
1952	8.45	229	296	3.69	2.85	8,104	103
1953	8.55	219	308	3.90	2.78	8,485	106
1954	8.55	218	308	3.92	2.78	8,207	101
1955	8.42	212	323	3.97	2.61	8,399	102
1956	8.59	212	339	4.05	2.53	8,904	106
1957	8.97	218	350	4.11	2.56	8,734	102
1958	9.08	230	354	3.95	2.56	9,030	104
1959	9.14	219	368	4.17	2.48	9,182	103

¹ Unusually large distribution during 1941 resulted in building up of the "invisible" supply carried over in 1942 and a considerable amount of sugar distributed during 1941 was actually consumed during 1942.

A comparison of current retail prices in the United States with those in other countries points up the fairness of sugar prices to American consumers and the effectiveness of our program under the Sugar Act. Such a comparison of prices is included in a study recently published by the Food and Agriculture Organization of the United Nations in its Monthly Bulletin of Agricultural Economics and Statistics for January 1960. This report shows that the average retail price of sugar in the United States—11 cents

a pound in 1957, when the study was begun—is nearly 5 cents below the median price in 121 nations around the globe.

Measuring the retail price of sugar on the basis of wage rates, sugar prices in the United States are the lowest in the world. Two independent studies, one by the National Industrial Conference Board and one by the FAO, referred to above, show that an American workman needs to spend less time at his job, than a workman in any other nation in order to earn enough money to

buy a pound of sugar. Table 7 is from the study conducted by the FAO. It shows that in 1946, a bricklayer in the United States needed to work only 4 minutes to buy 1 kilogram (2.2 pounds) of sugar. In contrast, a kilo of sugar took 20 minutes' work in the United Kingdom, 24 minutes in France, 34 minutes of work in the Netherlands, and 82 minutes of work in Italy. Not shown on the table is the U.S.S.R., where it takes an estimated 324 minutes of work to buy a kilogram of sugar.

TABLE 7.—*Sugar—Worktime cost of sugar and order of consumption, worktime cost and money cost, in specified countries, 1956*

Countries	Currency	October 1956		Work-time cost (minutes)	Consumption order ¹	Work-time cost order	Money cost order (U.S. dollars)	Countries	Currency	October 1956		Work-time cost (minutes)	Consumption order ¹	Work-time cost order	Money cost order (U.S. dollars)
		Hourly wage for bricklayers	Retail price of sugar in national currency							Hourly wage for bricklayers	Retail price of sugar to national currency				
United States...	Dollars	3.65	0.233	4	53	1	38	Netherlands...	florin	1.37	.78	34	46	30	24
Canada.....	do.	2.26	.205	5	50	2	27	Finland.....	markka	164.00	100.40	37	44	31	57
Sweden.....	Krona	9.74	1.18	7	49	3	40	Grenada.....	Cent.	50.00	32.00	33	32	32	20
Union of South Africa.	Pence	88.50	11.02	8	42	4	8	Lebanon.....	Piaster	100.00	65.00	39	18	33	29
Denmark.....	Ore	678.00	106.50	9	56	5	13	Guatemala...	Centavo	25.00	17.40	42	23	34	15
Norway.....	Krone	7.20	1.18	10	51	6	17	Mauritius...	Cent.	66.00	46.00	42	41	35	4
Iceland.....	do.	21.89	3.59	10	57	7	33	Tunisia.....	Franc	116.20	92.00	47	20	36	42
Australia...	Pence	113.00	20.13	11	54	8	21	Austria.....	Schilling	7.45	5.96	48	39	37	36
Israel.....	Prutot	1,178.00	270.00	13	30	9	11	Taiwan.....	Dollar	5.50	4.50	49	12	38	25
Malta.....	Pence	22.00	5.04	13	38	10	1	Hong Kong...	do.	1.10	.97	53	24	39	14
New Caledonia.	Franc	75.00	16.00	13	45	11	41	French West Africa.	Franc	59.40	53.50	54	9	40	48
Netherlands Antilles.	Florins	1.50	.40	16	36	12	26	Spain.....	Peseta	12.00	11.00	55	13	41	45
Uruguay.....	Peso	2.15	.56	15	40	13	10	Portugal.....	Escudo	5.44	5.30	58	16	42	18
New Zealand.	Pence	72.20	19.47	16	52	14	35	St. Lucia...	Cent.	27.50	26.50	58	22	43	12
Switzerland.	Franc	3.17	.94	18	47	15	43	Paraguay...	Guarani	13.80	14.60	60	15	44	9
Ireland.....	Pence	51.50	15.43	18	48	16	16	Nigeria.....	Pence	18.00	18.74	62	1	45	31
British Guiana.	cent.	49.00	16.53	20	43	17	3	Sierra Leone	do.	18.30	19.86	65	6	46	37
United Kingdom.	shilling	4.29	1.43	20	55	18	28	Japan.....	Yen ³	125.00	137.33	66	14	47	52
Chile.....	peso	120.00	43.60	22	29	19	2	Italy.....	Lire	193.00	263.00	82	17	48	55
Argentina.....	do.	10.00	4.00	24	33	20	6	Vietnam.....	piaster	9.87	14.50	88	5	49	54
France.....	franc ³	252.00	100.60	24	26	21	46	Madagascar.	franc	41.00	60.00	88	7	50	51
Fiji.....	pence	23.00	9.92	26	35	22	5	Cameroons...	do.	38.00	60.00	95	2	51	50
Belgium.....	franc	23.58	10.85	27	28	23	30	(French administration).	do.	6.60	11.00	100	3	52	32
Cyprus.....	piaster	28.30	13.04	28	21	24	23	Belgian Congo.	do.	.69	1.21	105	10	53	44
Trinidad.....	cent ²	44.00	21.40	29	37	25	7	Pakistan.....	rupee ²	6.42	11.56	108	11	54	53
Malaya.....	do.	113.00	58.00	31	25	26	22	Greece.....	drachma	35.00	74.00	127	4	55	56
Germany, West.	mark	2.31	1.24	32	27	27	47	French Equatorial Africa.	franc	2.15	4.63	129	8	56	39
Morocco.....	franc	175.00	94.00	32	34	28	43	Thailand.....	baht	.57	1.48	156	19	57	49
Jamaica.....	shilling ²	2.41	1.33	33	31	29	19	Ceylon.....	rupee ⁴						

¹ Including noncentrifugal sugar at 60 percent of the actual weight for Malaya, Guatemala, Taiwan, Japan, Vietnam, Pakistan, and Thailand.

² Carpenters.

³ Transport drivers.

⁴ The relation of bricklayers' wages to other wages in Ceylon seems to be different from those in almost all other countries; this makes the data questionable.

THE WORLD MARKET AND WORLD PRICE OF SUGAR

With the recent interest that has focused on the Sugar Act, there is obviously a widespread and unfortunate misunderstanding about the price paid for Cuban sugar and domestic sugar on the U.S. market, and the price of sugar on the so-called world market. The very use of the terms "world price" and "world market" is a misleading use of words. Only about 12 percent of the world's sugar production is traded on the misnamed "world market." This is essentially unwanted sugar and the trading in this small part of the world's sugar supply cannot and does not establish a true world price or reflect the actual value of sugar.

World consumption of sugar now amounts to about 52 million tons a year. Of this amount, some 38 million tons are consumed in the countries where it is produced. In nearly all instances, as in the United States, because of the essentiality of the product it is produced under some kind of national control, bounty, or subsidy system. This leaves 14 million tons to be consumed outside the countries of production. Of this 14 million tons, 8 million tons are traded under

the terms and provisions of special systems, including the British Commonwealth sugar system, the French sugar program, and the U.S. sugar program. This leaves only 6 million tons for trading in the so-called world market.

In the truest sense of the word, this sugar is homeless sugar; it has no specific place to go. It is traded on a "residual market." Since it is a residual market, and since world production usually tends to exceed world consumption, it is also normally a very depressed market. However, because of the very character of this so-called world market it is an extremely volatile market reacting violently to international tensions or to changes in supply and demand. For example, during the disturbed situation brought on by the Suez crisis and the events in Hungary 3 years ago, the price on this market nearly doubled in 60 days. Throughout the latter half of 1950 and almost all of 1951 this so-called world price was higher than the U.S. price, reaching a differential above the U.S. price of 1.85 cents per pound in June 1951. A similar situation prevailed in the 1957 period, above referred to, when the

world price went from \$2.07 per hundred pounds below the U.S. price in October 1956 to \$1.34 above the U.S. price in April 1957.

The assumption, therefore, that the United States could buy its sugar cheaper on the world market than it is obtaining it under the Sugar Act is not necessarily valid. Not only would American consumers be the victims of the wild price fluctuations and supply uncertainties of the world sugar market, that market might very well be higher than the existing American price under our quota system for two reasons: (1) Our domestic sugar production would drop substantially (possibly even disappear) without the protection and benefit of the Sugar Act; and (2) our annual consumption of sugar is greater than the normal residual in the so-called world market and the competition of the United States in this world market would almost inevitably result in a very sharp increase in the so-called world price.

Table 8 shows how thin this so-called world market is. It shows the total carry-over of sugar in all major producing areas from one crop to the next for the past 10 years.

TABLE 8.—*Stocks of centrifugal sugar, beginning of new grind, in selected countries, seasons 1950-51 to 1959-60*

[1,000 short tons, raw value]

Country	Date ¹	Sugarmaking season									
		1950-51	1951-52	1952-53	1953-54	1954-55	1955-56	1956-57	1957-58	1958-59	1959-60 ²
Indonesia.....	May 1				0	38	40	30	29	25	50
Union of South Africa.	May 1	29	20	54	64	46	46	50	34	74	116
Argentina.....	June 1				23	142	219	107	62	24	368
Brazil.....	June 1	150	160	184	286	256	255	180	441	424	622
Australia.....	July 1	107	119	104	132	188	135	158	195	157	189
Belgium.....	Oct. 1	51	29	55	38	39	21	24	15	24	41
Denmark.....	Oct. 1	7	8	14	18	74	14	21	25	33	130
France.....	Oct. 1	51	63	126	54	256	225	103	78	88	147
Netherlands.....	Oct. 1	59	89	45	33	49	24	34	81	80	160
Philippines.....	Oct. 1	35	36	30	46	85	173	148	82	98	232
Dominican Republic.	Nov. 1	11	30	38	40	147	103	158	20	93	209
India.....	Nov. 1	105	219	604	235	69	689	663	550	403	150

Footnotes at end of table.

TABLE 8.—Stocks of centrifugal sugar, beginning of new grind, in selected countries, seasons 1950-51 to 1959-60—Continued
[1,000 short tons, raw value]

Country	Date ¹	Sugarmaking season									
		1950-51	1951-52	1952-53	1953-54	1954-55	1955-56	1956-57	1957-58	1958-59	1959-60 ²
Mexico.....	Nov. 1	63	161	217	266	268	347	150	295	337	506
Taiwan.....	Nov. 1	³ 66	³ 36	66	76	53	71	176	116	83	155
Cuba.....	Jan. 1	327	322	2,322	⁴ 1,671	2,142	1,786	⁴ 727	⁴ 852	⁴ 777	⁴ 1,554
Haiti.....	Jan. 1	1	1	2	3	1	5	3	1	3	8
Peru.....	Jan. 1	70	108	98	112	117	87	143	95	129	99
Total.....		1,132	1,401	3,959	3,097	3,970	4,240	2,884	2,981	2,852	4,736

¹ All stock carryover dates, except for Jan. 1, apply to the 1st year mentioned at the head of each column.

² Preliminary.

³ Probably Oct. 1.

⁴ Cuba stocks include prior shipments under bond in the United States for quota charge in the following calendar years as follows: 1953-54, 31,000 tons; 1956-57, 24,000 tons; 1957-58, 102,000 tons; 1958-59, 174,000 tons; 1959-60, 206,000 tons.

Source: Foreign Agricultural Service—prepared or estimated on the basis of official statistics of foreign governments, other foreign source materials, reports of U.S. agricultural attachés and Foreign Service officers, results of office research and related information

THE "QUOTA PREMIUM"

The difference between the so-called world price and the U.S. price has on occasions been called the quota premium, or more popularly the subsidy in our sugar program. This approach is carried even further to say that the amount of protection or subsidy involved in the American sugar program is the amount of the difference between the two prices, multiplied by the amount of sugar purchased. This is an exaggerated statement of the protection afforded by the Sugar Act and is such an oversimplification of a basically complicated economic situation as to be misleading. It

is obvious that the amount of quota premium or subsidy, if one exists, is not the difference between the U.S. price and the so-called world price with the Sugar Act in effect, it is the difference between the price received by supplying areas for their sugar now and the price they would receive if we had no sugar program.

Even under the orderly marketing system brought about by our Sugar Act, it is obvious that this so-called quota premium has not been a one-way street. The U.S. price has not always been above the so-called world price for Cuban sugar but our supplies have continued uninterrupted. Table

9 shows this relationship on a yearly average basis from 1934 through 1947. Table 10 shows the same relationship, in slightly different form, by months for the year 1948-59.

During the war and immediate postwar years of the 1940's, the United States purchased virtually the entire Cuban sugar production. As is indicated by the last column on table 9, we obtained this sugar (and also the sugar purchased from domestic producing areas) at substantially less than the world price. Table 10 shows the months during the Korean conflict and during the Suez incident when the world price was higher than the U.S. price.

TABLE 9.—Quota premiums and discounts: Comparison of Cuban price, per pound, of sugar for shipment to United States and world market, annual average, 1934-47

[Cents]

Year and month	U.S. price, c.i.f. basis, New York	Freight and insurance, Cuba to New York	Price for shipment to—		Difference, U.S. price from world price	Year and month	U.S. price, c.i.f. basis, New York	Freight and insurance, Cuba to New York	Price for shipment to—		Difference, U.S. price from world price
			United States	World market					United States	World market	
1934.....	1.50	0.13	1.37	0.91	0.46	1941.....	2.48	0.39	2.09	1.46	.63
1935.....	2.33	.12	2.21	.88	1.33	1942.....	2.99	.51	2.48	2.69	-.21
1936.....	2.69	.13	2.56	.88	1.68	1943.....	2.99	.53	2.46	2.69	-.23
1937.....	2.54	.19	2.35	1.13	1.22	1944.....	2.99	.40	2.59	2.69	-.10
1938.....	2.04	.14	1.90	1.00	.90	1945.....	3.00	.35	2.65	3.14	-.19
1939.....	1.91	.17	1.74	1.43	.31	1946.....	3.86	.44	3.42	4.24	-.82
1940.....	1.89	.22	1.67	1.11	.56	1947.....	5.46	.49	4.97	5.03	-.06

TABLE 10.—Quota premiums and discounts—Comparison of Cuban price of raw sugar for shipment to United States and to world markets, f.a.s., Cuba, cents per pound

Year	January	February	March	April	May	June	July	August	September	October	November	December	Monthly average
For shipment to United States													
1948.....	4.68	4.57	4.50	4.45	4.25	4.44	4.79	4.87	4.78	4.77	4.80	4.75	4.64
1949.....	4.78	4.72	4.77	4.73	4.89	4.97	4.96	5.05	5.20	5.21	5.12	4.94	4.94
1950.....	4.91	4.75	4.70	4.68	4.87	4.95	5.22	5.39	5.40	5.41	5.38	5.39	5.09
1951.....	5.12	4.95	4.92	4.86	5.38	5.56	5.29	5.03	5.02	4.94	4.98	4.78	5.07
1952.....	4.82	4.79	5.18	5.33	5.29	5.53	5.61	5.58	5.67	5.72	5.55	5.17	5.35
1953.....	5.19	5.31	5.45	5.45	5.46	5.52	5.56	5.55	5.59	5.57	5.29	5.15	5.43
1954.....	5.15	5.18	5.29	5.28	5.22	5.28	5.32	5.23	5.14	5.11	5.25	5.02	5.21
1955.....	5.01	5.00	4.91	4.91	5.04	5.10	5.08	5.06	5.02	5.03	4.94	4.87	5.00
1956.....	4.93	4.94	5.01	5.01	5.01	5.01	5.10	5.10	5.11	5.31	5.34	5.34	5.10
1957.....	5.31	5.07	5.15	5.12	5.41	5.59	5.52	5.24	5.30	5.36	5.27	5.30	5.30
1958.....	5.31	5.31	5.18	5.35	5.41	5.41	5.43	5.42	5.52	5.59	5.46	5.55	5.41
1959.....	5.27	5.13	4.97	5.01	5.38	5.41	5.41	5.51	5.65	¹ 5.66			
For shipment to world													
1948.....	3.96	4.24	4.26	4.43	4.27	4.06	4.10	4.41	4.39	4.32	4.27	4.03	4.23
1949.....	4.00	3.95	4.17	4.09	4.04	4.08	4.13	4.20	4.19	4.33	4.33	4.39	4.16
1950.....	4.62	4.47	4.44	4.37	4.21	4.21	4.89	5.83	5.88	5.84	5.58	5.36	4.98
1951.....	5.22	4.96	5.48	5.57	6.62	7.41	6.75	5.61	5.52	5.28	4.83	4.84	5.67
1952.....	4.54	4.38	4.30	4.30	4.24	4.17	4.16	4.05	4.00	4.01	4.00	3.84	4.17
1953.....	3.55	3.52	3.27	3.38	3.65	3.62	3.60	3.53	3.29	3.15	3.10	3.27	3.41
1954.....	3.30	3.39	3.28	3.36	3.32	3.27	3.13	3.18	3.21	3.25	3.26	3.19	3.26
1955.....	3.17	3.17	3.22	3.31	3.38	3.26	3.22	3.22	3.27	3.28	3.19	3.16	3.24
1956.....	3.26	3.28	3.34	3.31	3.36	3.36	3.40	3.34	3.24	3.24	3.92	4.77	3.48
1957.....	5.83	5.80	6.17	6.46	6.02	6.12	5.27	4.13	4.55	4.03	3.63	3.87	5.16
1958.....	3.74	3.55	3.42	3.45	3.47	3.42	3.50	3.46	3.48	3.41	3.42	3.64	3.50
1959.....	3.27	3.11	3.05	2.88	2.94	2.81	2.66	2.78	3.09	¹ 3.14			

Footnote at end of table.

TABLE 10.—Quota premiums and discounts—Comparison of Cuban price of raw sugar for shipment to United States and to world markets, f.a.s. Cuba, cents per pound—Continued

Year	January	February	March	April	May	June	July	August	September	October	November	December	Monthly average
Difference—U.S. price from world price													
1948	+ .72	+ .33	+ .24	+ .02	— .02	+ .38	+ .69	+ .46	+ .39	+ .45	+ .53	+ .72	+ .41
1949	+ .78	+ .77	+ .60	+ .64	+ .85	+ .89	+ .83	+ .85	+ 1.01	+ .88	+ .79	+ .55	+ .78
1950	+ .29	+ .28	+ .26	+ .31	+ .66	+ .74	+ .33	— .44	— .48	— .43	— .20	+ .03	+ .11
1951	— .10	— .01	— .56	— .71	— 1.24	— 1.85	— 1.46	— .58	— .50	— .34	+ .15	— .06	— .60
1952	+ .28	+ .41	+ .88	+ 1.03	+ 1.05	+ 1.36	+ 1.45	+ 1.53	+ 1.67	+ 1.71	+ 1.55	+ 1.33	+ 1.18
1953	+ 1.64	+ 1.79	+ 2.18	+ 2.07	+ 1.81	+ 1.90	+ 1.96	+ 2.02	+ 2.30	+ 2.42	+ 2.19	+ 1.88	+ 2.02
1954	+ 1.85	+ 1.79	+ 2.01	+ 1.92	+ 1.90	+ 2.01	+ 2.19	+ 2.05	+ 1.93	+ 1.86	+ 1.99	+ 1.83	+ 1.95
1955	+ 1.84	+ 1.83	+ 1.69	+ 1.60	+ 1.66	+ 1.84	+ 1.86	+ 1.84	+ 1.75	+ 1.75	+ 1.75	+ 1.71	+ 1.76
1956	+ 1.67	+ 1.66	+ 1.67	+ 1.70	+ 1.65	+ 1.65	+ 1.70	+ 1.76	+ 1.87	+ 2.07	+ 1.42	+ .57	+ 1.62
1957	— .52	— .73	— 1.02	— 1.34	— .61	— .53	+ .25	+ 1.11	+ .75	+ 1.33	+ 1.64	+ 1.43	+ .14
1958	+ 1.57	+ 1.76	+ 1.76	+ 1.90	+ 1.94	+ 1.99	+ 1.93	+ 1.96	+ 2.04	+ 2.18	+ 2.04	+ 1.91	+ 1.91
1959	+ 2.00	+ 2.02	+ 1.92	+ 2.13	+ 2.44	+ 2.60	+ 2.75	+ 2.73	+ 2.56	+ 2.52			

¹ 1st 15 days.

BENEFITS TO DOMESTIC PRODUCERS

Table 11 shows the details of the manner in which the Sugar Act has achieved one of its three basic objectives—that of assur-

ing, as a matter of national security, the production of a substantial portion of our sugar requirements in domestic areas. This table shows, by areas, for the years 1955 through 1959 the acreage, production, and

deliveries of sugar, the extent to which the various areas have filled their assigned quotas, and the rate of Sugar Act payments to producers in those areas.

TABLE 11.—Selected data for domestic sugar producing areas, on acreage, production, quotas, and payments, 1955–60

[All tons are raw value]

Domestic area and crop year	Acreage ¹ harvested for sugar	Yields sugar per acre harvested	Production of sugar	Quota charges	Unfilled quota		Jan. 1 effective inventory	Rate of Sugar Act pay- ments per ton of sugar
					Basic	Adjusted		
	Thousands of acres	Tons	Thousands of tons	Tons	Tons	Tons	Thousands of tons	Dollars
Sugar beet:								
1955	744	2.33	1,730	1,797,327	2,673	2,673	1,628	\$16.82
1956	789	2.50	1,971	1,955,252	0	149	1,547	15.87
1957	882	2.51	2,213	2,065,687	0	5,007	1,529	16.43
1958	895	2.47	2,214	2,239,852	0	² 102,636	1,669	16.42
1959	901	2.57	2,313	2,242,188	0	25,477	1,640	16.36
1960 estimate	950	2.53	2,400				1,709	16.36
Mainland sugar cane:								
1955	267	2.14	572	499,623	377	377	396	13.30
1956	233	2.39	557	601,369	0	327	465	13.16
1957	259	2.05	531	635,685	0	1,487	346	13.67
1958	253	2.28	578	680,552	0	40,253	244	12.78
1959	290	2.11	612	578,217	50,582	119,566	140	13.40
1960 estimate	310	2.26	700				175	13.40
Puerto Rico:								
1954–55	361	3.23	³ 1,165	1,079,562	438	438	163	13.92
1955–56	353	3.26	³ 1,152	1,134,769	5,484	6,329	138	13.85
1956–57	362	2.73	990	912,571	224,416	7,429	44	14.83
1957–58	333	2.80	934	823,034	343,341	0	6	14.47
1958–59	364	2.98	1,087	957,580	234,918	12,295	7	13.68
1959–60 estimate	354	2.97	1,050				8	14.14
Hawaii:								
1955	106	10.75	1,140	1,052,004	0	0	6	9.24
1956	107	10.28	1,100	1,091,282	0	23	49	9.25
1957	107	10.17	1,085	1,036,763	50,610	23,237	14	9.26
1958	84	9.10	765	630,175	536,200	69,825	18	9.71
1959	110	8.86	975	976,852	215,646	1,118	114	9.25
1960	110	8.86	975				80	9.25
Virgin Islands:								
1955	5	2.14	10	9,942	2,058	2,058		13.28
1956	5	2.69	13	12,535	3,014	0		12.97
1957	5	3.02	15	14,753	752	0		12.80
1958	4	1.36	6	6,093	9,812	7		20.16
1959	4	1.90	12	12,302	3,959	103		13.11
1960 estimate	4	1.90	8					13.05
All domestic areas:								
1955	1,483	3.11	4,617	4,438,458	5,542	5,542	2,193	13.77
1956	1,487	3.22	4,793	4,795,207	6,293	6,293	2,199	13.54
1957	1,615	2.99	4,834	4,665,459	122,291	37,160	1,933	14.18
1958	1,569	2.87	4,497	4,379,706	531,794	² 204,687	1,937	14.41
1959	1,669	3.00	4,999	4,767,139	254,361	158,559	1,901	14.02
1960 estimate	1,728	2.97	5,133				1,972	14.15

¹ National acreage allocations in years when production was restricted with acreages planted in parentheses were as follows: Domestic beet sugar area: 1955, 850 (793); 1956, 850 (823); 1957, 950 (912); 1958, 935 (927); 1959, 925 (921); 1960, 985. Mainland cane sugar area (for sugar and seed) 1955, 299 (285); 1956, 259 (253); 1957, 296 (284); 1958, 292 (276); 1959, 314 (314); 1960, 336 (336).

² 50,000 tons reallocated to Cuba, Nov. 13, 1958, but included in this figure.

³ Individual farm proportionate share established in hundred weight of sugar totaled 1,214,000 tons for 1954–55 crop and 1,222,000 tons for 1955–56 crop.

Mr. DIXON. Mr. Chairman, will the gentleman yield?

Mr. COOLEY. I yield to the gentleman from Utah.

Mr. DIXON. There is one point I think the gentleman should clear up. With Cuba selling a million tons of Russia for less than 3 cents, and possibly a half-million tons to Red China, and other sales, with the possibility of Cuba

having a reduced production of about a million tons, is not our concern a question of getting more sugar for our own consumption here?

Mr. COOLEY. Why, certainly. This bill would adequately protect the consumers of America and we can be assured of an adequate supply of sugar at all times if this bill passes, and at reasonable prices.

Mr. DIXON. It would permit us to buy sugar from other neighbors who are very kind to us?

Mr. COOLEY. Yes; and I would like to see us buy some from the other countries, but we gave preference to the countries named in the bill.

Mr. DIXON. It would enable us to produce more domestically to protect ourselves?

Mr. COOLEY. Yes.

Mr. DIXON. Mr. Chairman, as you are very much aware, the present 4-year Sugar Act expires at the end of this year and so action must be taken immediately to extend the act. One of my major objectives in this Congress has been getting the Sugar Act extended. Sugar legislation this year is clouded by the unfortunate events occurring in Cuba. The kind of law enacted in this Congress must reflect our considered judgment as to what is best for the interests of the United States in the international field, as well as in domestic affairs.

Any discussion of our sugar program must give recognition to the world sugar situation. Probably no other commodity is produced and marketed under such widespread national and international controls as is sugar. The reason is that this vital commodity is of such deep concern to the economic and physical well-being of nations throughout the world.

Our own system was devised with three main objectives in mind:

First. To assure American consumers an adequate supply of sugar at reasonable prices.

Second. To encourage foreign trade.

Third. To provide a healthy economic climate for a competitive domestic sugar industry.

These fundamental purposes have been kept in mind by the Congress through all the changes which have been made in the mechanics of the law to fit the changing needs of changing times during the last quarter century. During all this time the U.S. sugar program has indeed fulfilled these objectives.

Never once have American housewives or the great industrial users of sugar had to fear that there would be no sugar available for them or that prices would suddenly skyrocket out of reach. These factors have contributed immeasurably to the stability of the sugar-consuming industries which now require approximately 65 percent of all the sugar used in the United States.

The U.S. sugar program has been administered with the interests of consumers a prime consideration. At the retail level the price of sugar has trailed behind the average rise in the prices of all foods occurring in our expanding economy during the last quarter century.

Our foreign trade has been enhanced by provisions in the Sugar Act which reserve more than 40 percent of our huge annual sugar market for foreign suppliers. There is no other legislation, to my knowledge, which specifically reserves such a huge American market for foreign countries. Obviously the nations which sell sugar to us obtain dollars which help to make those countries prime markets for our own exporting industries.

In marked contrast to the successive eras of feast and famine, of prosperity and depression, of profit and loss, which plagued the domestic sugar industry before 1934, the stability maintained by the Sugar Act has helped to provide a satisfactory climate for a healthy, competitive U.S. sugar industry. The Sugar Act

has encouraged efficiency of production. Certain segments of domestic producers have no peer elsewhere in the world in the amount of sugar produced per man-hour of human labor or per unit of land resources—acre or hectare—used for growing the crop. The domestic beet sugar industry, with which I am most familiar, last year produced more than 2,300,000 tons of sugar from sugar beets harvested on 906,000 acres of land. In 1933, the year before the sugar program was first initiated, 983,000 harvested acres were required to produce 1,700,000 tons of sugar. Thus, during the course of the act, we have learned to produce 35 percent more sugar from 8 percent fewer acres of land.

During the last 10 years, sugar beet growers have on the average reduced by more than 25 percent the amount of human labor required in the beet fields to produce the raw material for a ton of sugar. In our scientific laboratories, in our experimental plots of ground, and in our research greenhouses, are new developments which will result in still further gains in production efficiency. I refer to such advancements as new strains of monogerm seeds which contain the potential of a further 15 to 20 percent gain in production efficiency above present high levels. These seeds are now coming into widespread commercial planting for the first time this year.

Coincidental with such outstanding developments in the fields of genetics are similar advancements in the fields of mechanical engineering and chemistry. Together they will result in a further reduction of labor required to produce a crop and eventually complete mechanization of sugar beet production. Ingenious mechanical thinners with revolving blades now do much of the spring and summer work which human hands formerly had to perform. The sugar beet harvest, another operation formerly performed by hand, now is 100 percent mechanized.

Remarkably well though the sugar program has worked, Castroism has deliberately sought to disturb American public opinion about it. Not only has Castro arrogantly issued slanted propaganda, which he has had the effrontery to distribute to all the Members of Congress, but he has entered into sugar deals with his comrades in Russia which will result in exploiting the Cuban people for Russia's benefit.

It should be realized that there is virtually no such thing as a true free market for sugar anywhere in the world. The current rate of sugar production in the world today is about 55 million tons a year. Of this amount approximately 38 million tons are consumed or stored in the countries of production. Another 11 million tons are exported under preferential marketing arrangements such as the British Commonwealth system, the French community system, and the U.S. sugar program. Marketing of nearly all of the remaining 6 million tons is affected by the International Sugar Agreement, to which the 35 major exporting and importing nations in the world adhere.

The sugar which finds its way to the so-called world market is in reality homeless sugar. Since sugar production in the world normally exceeds sugar consumption, the so-called world market is usually a depressed market. The so-called world price, therefore, is in reality a dumping-ground price and cannot truthfully be said to reflect the true value of sugar. When Mikoyan completed his deal with Castro at the so-called world market price, some months ago, he was therefore taking advantage of the Cuban people, buying sugar at less than the cost of production.

The price at which raw sugar is produced or purchased has little relationship, in many countries of the world, to the retail price of sugar to the housewife. According to information I have recently obtained, the Russian housewife is not receiving any of the benefit of Mikoyan's raw sugar deal with Castro. In Moscow and other major cities of the U.S.S.R., the retail price of sugar averages about 4.27 rubles per pound. At the official rate of exchange, four rubles for \$1, this would put the price of sugar to the Russian housewife at \$1.06, American money, per pound. At the more generous 10 to 1 tourist rate of exchange, the price of sugar to the Russian housewife is 42.7 American cents, nearly 43 American cents per pound. This contrasts with the current price to the American housewife of about 11 cents a pound at her neighborhood supermarket.

This contrast, of course, is evidence of two things; one is the way the lords of the Kremlin administer prices of consumer goods to the disadvantage of the Russian people. The other is the demonstration of the efficiency of the American producing, refining, and marketing system. The Russian Government bought sugar from Cuba at less than 3 cents a pound, f.o.b. Cuba. Currently our American refineries pay about 5 cents a pound, f.o.b. Cuba. Yet the Russian housewife pays 42 cents to \$1.06 a pound while the American housewife pays only about 11 cents a pound.

In terms of wages, of course, sugar is a still greater bargain for the American than it is for the Russian. An American workman need labor at his land for only about 3 minutes to earn enough to buy a pound of sugar while a Russian workman must work for nearly 2½ hours to buy a pound of sugar.

It would seem that our responsibilities should be to continue the demonstrated benefits of the U.S. sugar program, while instituting such important changes as these uncertain times require.

The committee bill was developed after long consultation with members of both political parties in the Congress, with representatives of the leading domestic sugar producing groups and with the civil servants in the Government who have made the study of sugar their life work. Differences among committee members were reconciled and we voted for the sugar bill unanimously. Therefore, I submit that the basic principles of this legislation are sound.

An important feature of the committee bill is that it would permit the President to prorrate Hawaiian and Puerto Rican deficits among domestic growers insofar as they are able to supply this deficit sugar.

Under the present deficit procedures Cuba would gain a windfall of approximately 156 tons of sugar beyond her regular quota. This would amount to a contribution of something of a general magnitude of \$16 million to the Cuban economy.

It is important that we give the President the authority to deny Cuba this windfall.

Another important feature of this bill is the provision which would permit the President of the United States to reduce Cuba's sugar quota if he should find that such action is necessary to protect our national interests or to protect sugar supplies for American consumers. Obviously this provision is essential because of the unpredictable dangerous intentions of Fidel Castro.

The reason why such action might be necessary in the national interest is almost self-evident. It would provide the President with an economic tool which he could use in case Castro's rantings were followed by still more vicious overt actions against the United States. There have already been examples of such overt actions. A Cuban gunboat has fired upon an American submarine in neutral waters on the high seas. American property has been seized without due process of law, even Cuban law, in utter disregard of international law, without pretense of adequate compensation and in flagrant violation of human rights. Diplomatic notes and protests of our official representatives in Cuba have served only to stir up still more anti-American harangues and actions. Short of calling out our armed forces the President is powerless to take effective action now. The Presidential power authorized in this bill would arm him with a minimum tool which he so obviously needs.

The recent scuttling of the summit conference by the Russian Communist leaders should serve as a warning to us concerning Cuba. It ever becomes plainer that the Castro government follows the Communist Party line—in deed as in word. The Communist Party line is anti-American. The world could take as an endorsement of or at least as an acquiescence to communism any action by the Congress which would continue to give today's Cuba, without any reservations, not only her present huge share in the American sugar market but also an automatic increase in successive years. Yet that is what the Congress would be giving to Castro's Cuba if we extend the Sugar Act without change. Even a 1-year extension of the present act without change would give to Castro's Cuba the privilege of marketing nearly 50,000 tons more sugar in the American market in 1961—her share, under the present law, of anticipated growth in the market next year—added to her present huge quota of more than 3,100,000 tons.

Mr. Chairman, I am not urging punitive action against a friendly neighbor nation. In the first place, Castro's Cuba

plainly is not friendly. In the second place, the action I urge Congress to take is not punitive. I am asking merely that the Chief Executive of the United States be equipped with a nonmilitary tool that he could use—if the urgent need to do so should arise—to protect us against a Communist menace at our very door.

Mr. HOLT. Is it not true that Mexico and the Philippine Islands have enough sugar to make up the deficit?

Mr. COOLEY. No. There is not so much raw sugar around the world as I thought. I had been led to believe that Mexico had approximately a million tons. Actually we were told they had not over 50,000 tons of raw sugar and 500,000 tons of refined sugar.

Mr. HOLT. You cannot use the refined sugar?

Mr. COOLEY. You can use it, but our refineries want to buy raw sugar rather than refined sugar.

Mr. HOLT. Are we not giving Castro a half a loaf?

Mr. COOLEY. No. We are leaving it in the President's hands. He asked for flexibility. Mr. Herter came before our committee and asked for this power. I might say that we rather reluctantly gave it to him, but I think this power must be used carefully and cautiously because we are dealing with something that is of far-reaching import.

Mr. HOEVEN. Mr. Chairman, will the gentleman yield?

Mr. COOLEY. I yield to the gentleman from Iowa.

Mr. HOEVEN. The committee did not give it to him reluctantly. That was the purpose of the bill I introduced.

Mr. COOLEY. May I say, I gave it to him reluctantly, because I thought it should be carefully used. This could precipitate trouble far beyond anything related to sugar. I do not know that anyone condones what is going on in Cuba, but this is not the instrumentality we must use.

Mr. HOEVEN. To clear up the matter, so far as the administration is concerned, I can assure the House that the administration and the Department of State are in accord with the bill. Time is of the essence, and this bill should be passed without delay.

Mr. COOLEY. I do not know of anybody who is against the bill.

Mr. HOEVEN. Mr. Chairman, I yield 1 minute to the gentleman from Minnesota [Mr. QUIE].

Mr. QUIE. Mr. Chairman, in my 3 years on the Committee on Agriculture I have never seen them work more diligently together on a matter where they completely gave up their personal interest for the best interests of the country. There was a great divergence of views to begin with, but we came out of there with agreement, and we worked hard and deliberated deeply to make certain we could get a good bill. We have got a good bill out of that committee. If we could do the same thing working the same way with wheat legislation, I think the Congress could go back home with a proud record.

Mr. McCORMACK. Mr. Chairman, if the gentleman will yield, there was no member of that committee, Republican

or Democrat, that was soft on Castro, was there?

Mr. QUIE. There was not one.

Mr. HOEVEN. Mr. Chairman, I yield 1 minute to the gentleman from Minnesota [Mr. ANDERSEN].

Mr. ANDERSEN of Minnesota. Mr. Chairman, I would like to ask the chairman of the committee a question. Would it not be possible to put title II onto this very meritorious bill and put the green acres in that title? Would that be possible?

Mr. COOLEY. I would be very glad to take green acres out.

Mr. HOEVEN. Mr. Chairman, I yield such time as she may desire to the gentlewoman from Washington [Mrs. MAY].

Mrs. MAY. Mr. Chairman, I wish to join with other Members on my side in commending the Committee on Agriculture for passing such well worked out and sound legislation at a time when it is so badly needed.

Mr. Chairman, that the Sugar Act is an ideal example of an effective and desirable Government program, there can be no dispute. Twice since World War II the Sugar Act has saved the American housewife and industrial user from sugar shortages and excessive prices. Following the outbreak of fighting in Korea in the summer of 1950, and again following the uprising in Hungary in the fall of 1956, demand and prices rose in the world market. Thanks to the powers given to the Secretary of Agriculture in the Sugar Act and to the cooperation of the Cuban Government on both occasions, supplies for our market were safeguarded. The American consumers were kept from getting into a price war with consumers in other countries which would have put more push behind the inflationary forces that were then operating in the world market.

The present Sugar Act terminates on December 31 of this year. Termination of the act would be disastrous to our domestic sugar industry and to domestic consumers as well. Certainly no one interested in American agriculture would wish to destroy this important segment of our agricultural economy.

Today we are again in a period of world tension, with any accurate forecast of international developments impossible. We are all aware of the whims of Dr. Fidel Castro of Cuba and it is not necessary to go into detail over his verbal and unwarranted attacks against the United States at this time.

I wish to commend the Committee on Agriculture for realistically recognizing the need for a number of adjustments in the Sugar Act in view of the uncertainties in the world sugar situation.

First. Under the terms of H.R. 12311 as reported by the committee, the executive branch of Government will have the ability to deal with emergencies. Presidential authority to act in the national interest in adjusting downward the Cuban quota is spelled out in the legislation before us.

Second. If the President sets the Cuban quota at less than present law, the method of reapportionment of the deficit is also defined.

Third. Hawaii is recognized as a State, rather than a territory.

Fourth. A provision in the bill grants the Secretary of Agriculture the authority to reduce for the current year the quota of a foreign nation or any area, if that nation or area does not meet its quota. This reduction could be by the amount of the deficit declared against the nation or area, and would prevent a country or area which had failed to fill its quota from disorganizing our U.S. market by shipping its full quota after a deficit had been declared against it.

Fifth. The bill contains a provision applicable to the 1961 crop which awards to new producers 75 percent of any increase in proportionate shares due to reallocated deficits.

I wish to say, Mr. Speaker, that I am highly gratified that the committee bill recognizes the needs of our domestic growers, and particularly, our new producers who have long expressed a desire to participate in the provisions of the Sugar Act.

While the committee bill is but a 1-year extension, rather than the usual 4-year extension of the act, this shorter extension period is another recognition of the present world tensions and the particular uncertainties in the sugar situation.

I believe it is most urgent that this legislation be adopted by the Congress and enacted as soon as possible.

(Mrs. MAY asked and was given permission to revise and extend her remarks.)

Mr. HOEVEN. Mr. Chairman, I yield 1 minute to the gentleman from Wyoming [Mr. THOMSON].

(Mr. THOMSON of Wyoming asked and was given permission to revise and extend his remarks.)

Mr. THOMSON of Wyoming. Mr. Chairman, it is essential that we take action on the Sugar Act as soon as possible. There has already been too much delay. Although this bill is not all I think it should be, it is obviously the best that we can obtain at this time, and I urge its immediate passage.

This is essential for two reasons—first, to cope with the current situation of the Castro government in Cuba, and second, to discharge our responsibilities to the domestic producers and refiners, who cannot make any plans with an Act that expires December 31, 1960. It is my hope that the Senate will improve upon this bill, as it is submitted to us under a procedure which does not permit amendment in the House.

I repeat that there has already been too much delay and it has been contrary to the best interests of our country. On October 29, 1959, I wrote to the Secretary of State, with a copy to the Secretary of Agriculture, as follows:

CHEYENNE, WYO., October 29, 1959.

The Honorable CHRISTIAN A. HERTER,
Secretary of State,
Department of State,
Washington, D.C.

DEAR MR. SECRETARY: As both your predecessor and other people in the Department know, I am extremely interested in the sugar legislation. My interest stems not merely from the importance of the crop to Wyoming, which I represent in the Congress, but equally because of what I consider to be

basically right and wrong as far as American foreign policy and trade policy is concerned.

For every good reason, the Sugar Act should have been extended last year. However, when the Cuban situation developed we who represent sugar producing States in the Congress consulted with the industry. I am proud to say that the industry are Americans first, and sugar producers second. Because of your problems, they voluntarily asked us to defer pushing the legislation. When this was done we well realized that we must have action in January or February of the next Congress, due to the expiration of the law and the planting season in some of our milder climates.

I have read and listened with disgust to the recent statements of Fidel Castro. Obviously, a bad situation is deteriorating. Who is this individual who speaks with scorn and vile words of our country and calls us liars? I need not remind you that Cuba lives off our sugar purchases. With this situation, I am convinced, and I speak only for myself, that it is time to apply Teddy Roosevelt's policy of "speak softly but carry a big stick". It is again my own opinion that we should say to Mr. Castro that we do not propose to take anything away from him; that we will let him continue to sell, until we see which direction he is going, sugar at the level of the 1959 purchases; but that until we do see how things are going, Cuba's share of the increased consumption will be allotted to the domestic producers.

This is fair in another way, in that it will permit our domestic farmers to regain some small share of the market which they lost to Cuba while they and their sons were absent from the farms, fighting the dictators of the last decade. As you know, during this period Cuba stayed home and produced sugar.

I do not know whether this would get through to Fidel Castro or not, but I think it might get through to the Cuban people, who I think are basically our friends, and will continue to be so unless we permit Castro to woo them the other direction.

I have thought this over carefully, and am therefore releasing the proposal to the press. As a combat veteran of World War II, who saw a lot of fine American boys left in Europe, I cannot stand idly by and just listen to Mr. Castro. I hope you will give the suggestion serious consideration.

At this point, it is only a suggestion because I am very much pleased with the fine way in which you have been conducting our foreign affairs, and this is in no way to be interpreted as a lack of confidence in you or in our great President.

Very truly yours,

KEITH THOMSON.

On January 13, 1960, immediately following the convening of this session of Congress, I introduced H.R. 9595, to carry out the proposal made in the letter. On January 14, I directed a letter to the chairman of the committee, requesting him to "schedule the bill for consideration and action by the Committee on Agriculture at an early date."

Because of further deterioration in the Cuban situation, on January 25, 1960, I introduced a second sugar bill, H.R. 9901, which would have reduced the Cuban sugar quota by 500,000 tons. This was based upon the amount of sugar which I was informed domestic producers could produce and domestic refiners could refine, without requiring new plant investment, and the additional 500,000 tons would have been allocated to the domestic sugar producing areas. This legislation further carried the authority for the President to make further adjust-

ments in quotas between foreign producers as he determined necessary in the best interests and in furtherance of the diplomatic and foreign policies of this country and the general public interest.

Both of these bills would have extended the act indefinitely, with it of course being expected that Congress would take further action on the Cuban quota as the situation indicated.

I was advised by the chairman of the committee on January 29 that "as soon as possible, hearings will be held on all of the sugar bills, and, of course, yours will be considered at that time."

I think it is most unfortunate that such a course of action was not followed. I firmly believe that if we had taken early action to limit Cuba's imports to their 1959 quota of approximately 3 million tons, that it would have had a marked effect to prevent subsequent unfortunate developments in Cuba.

Mr. Chairman, irrespective of the current situation in Cuba, I think that the domestic producers should be allowed a greater portion of the market and, in any event, of the increased consumption. After what we have just been through, I need not remind anyone that we have a serious agricultural situation. That situation is one of overproduction. Sugar is one of the few agricultural crops of which we produce much less than we consume.

The situation is not as simple as it might seem, however. There is the question of marketing areas, refinery investment, the type of sugar existing plants are equipped to process, the question of maintaining price to the grower the need of giving a quota to new producers, the necessity for additional acreage by present growers, and many other complicated questions involved. Hearings should be held to determine these questions. After the answers are obtained, additional quotas should be allocated to the domestic producers.

If things should straighten out in Cuba, which I sincerely hope they will, not only in the best interests of ourselves, but in the best interests of the people of Cuba, additional domestic quotas could be obtained from the increased consumption. In the event that there are any cuts in the Cuban quota by reason of the actions of the Castro regime, then our domestic producers should be the first ones to be considered. The bill under consideration fails to do this and should be amended to so provide.

Wyoming is not one of our largest sugar producing States. To give you an idea, however, of how important this crop is to the agricultural economy and the general economy, I cite some facts with respect to the industry in Wyoming with which I am familiar.

The farmer in Wyoming received approximately \$7,500,000 for his crop in 1958. For other contributions of sugar beets to our economy, we need only to look to the fact that the payrolls of sugar factories in Wyoming were up to about \$2,700,000, and freight payments in Wyoming were up to about \$2,200,000. A total of \$3,599,000 is the estimate the industry has provided me

for sugar refinery purchases for coal and other industrial supplies. Thus, the total value of these considerations alone is \$15,900,000. Some of these figures are necessarily based on estimates of past crop-year activity. There is every indication that the actual total will be increased.

One fact worth noting here is that according to the sugar refining industry in Wyoming, 14 percent of the irrigated acreage on the North Platte River project is used for beet cultivation and this returns about 41 percent of the gross income from irrigated crops in that area. This would apply generally to reclamation crops in the State, I am informed, which points up the product's extreme importance.

Mr. Chairman, I think it is most unfortunate that earlier action has not been taken to limit Cuba's quota in the manner provided in the bill which I introduced at the beginning of this session. I think it is unfortunate that hearings were not held. I think it is unfortunate that the extension is for only 1 year, and that the many basic problems confronting us are not adequately taken care of.

I sincerely hope that at the very first of the next session, general hearings will be called on sugar legislation. Until this can be done, to take care of the intervening situation I urge the passage of this bill as a minimum measure.

Mr. HOEVEN. Mr. Chairman, I yield 1 minute to the gentleman from Colorado [Mr. CHENOWETH].

Mr. CHENOWETH. Mr. Chairman, I rise in support of this bill. This is a very important bill for the economy of our Nation.

Mr. Chairman, this bill extends the Sugar Act of 1948, which will expire on December 31 of this year. It is imperative that the present law be continued, and I commend the Committee on Agriculture on bringing in this bill at this time. I think everyone has been agreed that the law must be extended, and the proposed extension was urged last year by the domestic sugar industry, both cane and beet.

Except for the injection of the Castro element I believe the act would have been extended for a longer period than 1 year. However, under the circumstances I feel that the 1-year extension will be satisfactory.

I am interested particularly in the beet sugar industry, which is so essential to the economy of Colorado, and other sugar beet States. This act has been satisfactory to all elements of our sugar industry, and has operated most successfully.

I am in favor of giving the President the authority to determine the quota for Cuba, as provided in this bill. No one can predict what Castro is going to do next, but it is obvious he is no friend of the United States. We are going to have to take the steps necessary to protect our interests, and this bill gives the President authority to take what action is necessary in the national interest.

Mr. Chairman, representing a district intensely interested in the raising of sugar beets, I am indeed happy to see

this legislation before us today. This bill should have the unanimous support of the House.

Mr. HOEVEN. Mr. Chairman, I yield 1 minute to the gentleman from Minnesota [Mr. LANGEN].

[Mr. LANGEN addressed the Committee. His remarks will appear hereafter in the Appendix.]

Mr. LANGEN. Mr. Chairman, I rise in support of the legislation, a piece of legislation that is unusually important to a large segment of agriculture throughout not only the State of Minnesota but the Nation as a whole. I think it is unfortunate that this legislation has to be discussed and considered in the light of scrutiny by such an unscrupulous person as Mr. Castro. I hope in another year we will be able to give the time and consideration to the establishment of a Sugar Agreement Act that will offer to American sugar producers a just opportunity to participate in the sugar program.

Mr. Chairman, renewal of the Sugar Act now is one of the "must" pieces of legislation still facing this session of Congress. It is needed not only because of the fact that the present act expires on December 31 of this year, but also because of its meaning to the many agricultural areas of this Nation. I have emphasized before the importance of its renewal to my congressional district, and I know the same is true of all the other sugar-producing areas. We cannot stress enough the fact that, in view of the present agricultural problem existing in the Nation, there isn't any measure which offers the opportunity for improvement to the extent that does the production of sugar beets and cane.

While our desire would have been that a more permanent and more definite reallocation of quotas might have been achieved, it is possible that, in the light of the international situation, the bill which has been written is the best which could be accomplished at this time.

With regard to the actual provisions of the bill, the fact that it gives to the President the authority to establish the Cuban quota in the national interest is noteworthy, in that it fills the need, caused by the instability and uncertainty in Cuba, for flexibility in the Sugar Act.

The provision which awards to new producers 75 percent of any increase in proportionate shares due to reallocated deficits will be welcomed by the many applicants for allotments who have been making requests for many years without success.

For these reasons, it would be my hope that Congress will speedily approve the extension.

(Mr. LANGEN asked and was given permission to revise and extend his remarks.)

Mr. HOEVEN. Mr. Chairman, I yield 1 minute to the gentleman from Massachusetts [Mr. CONTE].

Mr. CONTE. Mr. Chairman, I rise in favor of the committee bill. I believe it is high time that we increase the sugar quotas of our friends such as Mexico, the Philippines, Costa Rico, and some of the other sugar producing countries and de-

crease the quotas from Castro and the rest of his henchmen in Cuba.

Mr. Chairman, in the wake of the ever-increasing insinuations against the integrity of the United States, perpetrated by the Castro regime in Cuba, I feel it necessary to express my revulsion and to suggest that certain action has, at last, become feasible.

The United States has been very patient and understanding toward Castro, his movement and government. We extended our good will when he assumed power. Indeed, we have consistently tried every gesture of diplomacy and restraint to assure that the traditional ties of friendship between the Cuban people and our Nation would not be broken. However, in the light of what has happened in the past year, it is plainly evident that we seem to have made little, if any, headway. The situation, rather, has grown worse.

I do not believe that we should be coerced by the use of the commodity of sugar into a position where we must compromise our honor and continue to accept undiplomatic insults. American investments have been confiscated indiscriminately by the use of tactics which cannot be said to be in the interest of honest or sane business ethics. Not only this, but the attacks have grown to a vilification of our Chief Executive and other members of the Government and now, the integrity of these United States is being impugned by accusations of sabotage and alleged attempted murder.

Our friendship with Latin America has been amicable. I respect the Cuban people in their desire for social and economic progress. Moreover, I am not a vindictive man nor do I believe that we should base our policy toward Cuba on a spirit of revenge.

But I cannot fail to note that Castro has employed stratagems which indicate that he is not interested in doing business with us in the normal manner expected of mature nations engaged in international trade. He has gone even so far as to conclude a trade agreement with the Soviet Union using the very same commodity, sugar, which he accuses us of employing as a lever for so-called domestic interference.

This agreement not only does not call for the payment by the Soviets of the premium which Castro so blandly charges the United States, but, what is even more humiliating, it allows them to purchase sugar for less than the world price.

Mr. Chairman, I am a patient man, but I am also an American. I cannot allow my country to continue to suffer the constant humiliations and opprobrium heaped upon her in an irresponsible manner. What is more important, under the present sugar quota and system of premium payments we are, in effect, supporting the rapid growth of international communism at our very doorstep.

It has always been my contention that friends are more important than enemies, and it is to them that we should turn for our sugar needs. I believe that we should give greater consideration to our domestic producers, and also to those

countries that we count as friends such as Costa Rica, the Philippines and our own Puerto Rico.

Therefore, Mr. Chairman, I earnestly believe that this bill should be passed.

(Mr. CONTE asked and was given permission to revise and extend his remarks.)

Mr. COOLEY. Mr. Chairman, I yield such time as he may desire to the gentleman from Louisiana [Mr. BROOKS].

Mr. BROOKS of Louisiana. Mr. Chairman, the island of Cuba is only 90 miles from U.S. territory. My own State of Louisiana lies opposite the island of Cuba, both being shored in the Gulf of Mexico. Conditions in the island of Cuba are going from bad to worse.

All doubt that Cuba has gone Communist has now disappeared. It is now moving into advanced phases of the communistic type of state where the government means everything and the people mean nothing, save for the benefit of the government. Rights of American citizens are daily being violated by the Castro government. Over \$300 million in American property has already been seized and this dictator says he is going to seize all the remainder of American property in Cuba. American citizens have been arrested for no sufficient reason and they are being rapidly and completely driven from this island.

These things are normally bad enough. More than this, Mr. Speaker, it fills me with great apprehension to read of the Soviet activities in this area. Arms are being purchased by the Castro government, airports are being built by the Soviets and I have read of submarine activities unloading arms and munitions of war in the Caribbean area. These things are all directed against this country and against democratic types of government.

Economic measures are in order. Favored treaty arrangements with this island should be abandoned. Our subsidy of \$150 million per year on the Cuban sugar crop should be withdrawn and the Cuban people should realize the gravity of the transgressions of Fidel Castro. These things, in fact, should have been done a year ago.

With the coming of arms and munitions of war in the Caribbean area, it is time that our Government become alert. Sufficient patrols in the international waters of the gulf should be in operation to give us full intelligence on Soviet submarine activities. Moving in arms under such circumstances is certainly a violation of the security of this country.

By treaty, a number of years ago, the Monroe Doctrine was apparently abandoned by this country. It should be reinstated and a firmness against aggression in the Western Hemisphere by European and Asiatic powers should be shown. Unless some action is taken soon, serious developments which may occur almost within sight of our gulf coast ports may lead to actual fighting.

Mr. COOLEY. Mr. Chairman, I yield such time as he may desire to the gentleman from Kansas [Mr. BREEDING].

Mr. BREEDING. Mr. Chairman, I want to commend the chairman of the Committee on Agriculture and the mem-

bers of that committee for the fine work that they have done.

[Mr. BREEDING addressed the Committee. His remarks will appear hereafter in the Appendix.]

(Mr. BREEDING asked and was given permission to revise and extend his remarks.)

Mr. COOLEY. Mr. Chairman, I yield such time as he may desire to the distinguished majority leader.

Mr. McCORMACK. Mr. Chairman, I notice the bill says there shall be allocated to other foreign countries and so forth. Can the gentleman give the House an idea what the other foreign countries are?

Mr. COOLEY. If the President is unable to obtain adequate sugar from the countries named in the bill, he is then free to go to other places, such as Brazil or other countries that are not named in the bill.

Mr. McCORMACK. I assume it is intended that he should not go to unfriendly foreign countries.

Mr. COOLEY. Oh, no.

Mr. McCORMACK. While I am on my feet, may I say, Mr. Chairman, that the rule on this bill came out, as I remember, yesterday; is that correct?

Mr. COOLEY. That is right.

Mr. McCORMACK. And the bill is up today. The Democratic leadership was requested through the State Department and later by a message from the White House to try to get this bill up today because of the urgency of the situation. And, that is the reason why the Democratic leadership was very anxious to get the bill up, in order to cooperate with the President and the State Department.

Mr. HOEVEN. Mr. Chairman, will the gentleman yield?

Mr. McCORMACK. I yield to the gentleman from Iowa.

Mr. HOEVEN. Has the distinguished majority leader any idea what may happen in the Senate? Will they act on this legislation before we recess?

I have no knowledge of that, but we wanted to get this through today rather than wait until tomorrow because of the hope and expectation that it would be acted upon. And I assume that the White House and the State Department will zealously pursue efforts in the other body, as they did here. So I am sure, with the understanding minds of the leadership of the other body there will be that cooperation.

Mr. Chairman, may I make this further observation? I do not attribute this to my Republican friends, but the gentleman from New York [Mr. MILLER], who is chairman of the Republican congressional committee, made a very temperate statement the other day, and one of the other Republican members, in response to my question, made a very courteous and gentlemanly answer. I do not want to provoke anything, but when we start talking about Americans, whether Democrats or Republicans, being soft on this or that, we should be very careful. I think that upon reflection the gentleman from New York [Mr. MILLER], if he wanted to do the proper

and decent thing, would make an apology or retract the statement that he made with reference to the Democratic members of the House Committee on Agriculture.

Mr. COOLEY. Mr. Chairman, I yield myself 1 minute.

Mr. Chairman, I want to agree with the statement made by the majority leader; not that I have a very thin skin not that I am offended or injured in any way. But now we have the President of the United States to whom we have delegated plenary power over sugar and sugar quotas so far as Cuba is concerned. Certainly no one would suggest that Mr. Eisenhower would be soft on communism if he restored the entire quota immediately upon signing this bill. It is left entirely in his discretion. I think it is very unfortunate that the statements were made which reflected upon the members of the committee who voted for the original committee bill.

Mr. JENSEN. Mr. Chairman, will the gentleman yield?

Mr. COOLEY. I yield.

Mr. JENSEN. Does the President under the provisions of this bill have authority to allocate more sugar to our Territory of the Virgin Islands than they are now getting? If the Virgin Islands, which cost the taxpayers of the mainland money every year could have an additional 10,000 tons of sugar allocation, or some amount in that neighborhood, under the Sugar Act, that Territory would be self-supporting.

I hope the President of the United States will look into that matter and allocate more sugar to the Virgin Islands.

Mr. COOLEY. Mr. Chairman, I yield 2 minutes to the gentleman from Mississippi [Mr. ABERNETHY].

Mr. ABERNETHY. Mr. Chairman, not that I have any particular pride of authorship in the language, subsection (1) of section 5 of the bill that will be before us, when the committee amendment is offered, was presented by my colleague from Missouri [Mr. JONES] and myself. It was adopted in the committee by a vote of 33 to 0. This section is the heart and backbone of the bill.

I know how the Members of the House on both sides of the aisle feel in this critical hour toward Castro. However, this in my judgment is not the place for us to establish policy between our Government and Castro. That will be established by authorities at the executive level of our Government. Our part is to provide that which may be an appropriate tool in establishing policy.

On the other hand, I want to say to you that this bill is not designed to do anything for Mr. Castro. It is not the desire of any of us to aid him in any shape, manner, or form. In listening to the debate there seem to be some who have a feeling that this legislation might be a contribution in some manner, shape, or form, to the Castro Government. As one who assisted in preparing the draft and who is very materially concerned about the Castro Government and the situation in Cuba, I want to assure every Member of the House that the object of the bill is certainly anything but to make

a contribution to the Castro Government. It makes none at all.

I might go further and say that in reality it takes away, for the present at least, that which his government now enjoys most at the hands of our Government. Of course, I have reference to the Cuban sugar quota. When and if this bill is passed and signed by the President, Cuba has no sugar quota, neither for the remainder of this year nor for all of next year. We do, however—and I think this should be stated very clearly for the record so that we all may understand, so that the Cuban Government will understand and that our President and others will understand—we do, however, give the President the authority to authorize the importation of sugar from Cuba at such times and in such amounts as the President deems in the national interest, but not to exceed the total amount now authorized by title II of the act. In other words, the Cuban sugar quota will be completely suspended and restorable in such amounts and at such times as the President shall decree.

Mr. Chairman, I think these points should have been placed in the record. They are important. They will leave no doubt in the minds of anyone, including Castro, of the contents of this legislation. It deserves your unanimous support.

As we take this step, Mr. Chairman, let us do so with full appreciation of the fact that for scores of years the peoples of the United States and Cuba have been the warmest of friends. We deplore the fact that some Cubans have been misled and fired to a state of hard feelings against us. We know the time will come when these feelings will be completely dispelled and that nothing but the best of relationships will again exist. May God speed the day.

Mr. COOLEY. I have no further requests for time, Mr. Chairman.

The CHAIRMAN. Under the rule, the bill is considered as having been read for amendment. No amendments are in order to the bill except amendments offered by direction of the Committee on Agriculture.

Mr. COOLEY. Mr. Chairman, pursuant to the rule, I offer a committee amendment.

The Clerk read as follows:

Amendment offered by Mr. COOLEY: On page 2, after line 3, insert the following:

"SEC. 3. Section 204(c) of the Sugar Act of 1948, as amended (relating to proration of deficits), is amended by striking out 'shall not be reduced' and inserting 'may be reduced'.

"SEC. 4. Section 302(b) of the Sugar Act of 1948, as amended (relating to the establishment of proportionate shares for farms), is amended by striking out the period at the end of the first sentence and inserting a colon and the following: *Provided*, That 75 per centum of any increase in proportionate shares in any area where restrictions are in effect for the 1961 crop year over the total of restricted proportionate shares established for such area in the preceding year, less any shares arising from the 1960 growth factor, shall be reserved for new producers.

"SEC. 5. Section 408 of the Sugar Act of 1948, as amended (relating to suspension of quotas), is amended to designate such section as subsection '(a)'; and to add a new subsection '(b)' as follows:

"(b) Notwithstanding the provisions of title II of this Act, for the period ending December 31, 1961:

"(1) The President shall determine notwithstanding any other provisions of title II, the quota for Cuba for the balance of calendar year 1960 and for calendar year 1961 in such amount or amounts as he shall find from time to time to be in the national interest: *Provided, however*, That in no event shall such quota at any time exceed such amount as would be provided for Cuba under the terms of title II in the absence of the amendments made herein, and such determinations shall become effective immediately upon publication in the Federal Register of the President's proclamation thereof;

"(2) For the purposes of meeting the requirements of consumers in the United States, the President is thereafter authorized to cause or permit to be brought or imported into or marketed in the United States, at such times and from such sources, including any country whose quota has been so reduced, and subject to such terms and conditions as he deems appropriate under the prevailing circumstances, a quantity of sugar, not in excess of the sum of any reductions in quotas made pursuant to this subsection: *Provided, however*, That any part of such quantity equivalent to the proration of domestic deficits to the country whose quota has been reduced may be allocated to domestic areas and the remainder of such quantity (plus any part of such allocation that domestic areas are unable to fill) shall be apportioned in raw sugar as follows:

"(i) There shall first be allocated to other foreign countries for which quotas or prorations thereof of not less than three thousand or more than ten thousand short tons, raw value, are provided in section 202 (c), such quantities of raw sugar as are required to permit importation in such calendar year of a total of ten thousand short tons, raw value, from such country;

"(ii) There shall next be apportioned to the Republic of the Philippines 15 per centum of the remainder of such importation;

"(iii) The balance, including any unfilled balances from allocations already provided, shall be allocated to or purchased from foreign countries having quotas under section 202(c), other than those provided for in the preceding subparagraph (i), in amounts prorated according to the quotas established under section 202(c): *Provided*, That if additional amounts of sugar are required the President may authorize the purchase of such amounts from any foreign countries, without regard to allocation;

"(3) If the President finds that raw sugar is not reasonably available, he may, as provided in (2) above, cause or permit to be imported such quantity of sugar in the form of direct-consumption sugar as may be required."

"SEC. 6. Sections 101(j), 203, 205(a), 209 (a), 209(c), and 307 of the Sugar Act of 1948, as amended, are each amended by striking out the words 'the Territory of' in each place where they appear therein."

Mr. COOLEY (interrupting the reading of the amendment). Mr. Chairman, I ask unanimous consent that the further reading of the amendment be dispensed with. It has been thoroughly discussed, and I think everybody understands it.

The CHAIRMAN. Is there objection to the request of the gentleman from North Carolina?

There was no objection.

The CHAIRMAN. The question is on the amendment.

The amendment was agreed to.

The CHAIRMAN. Under the rule, the Committee rises.

Accordingly the Committee rose; and the Speaker pro tempore (Mr. MILLS) having resumed the chair, Mr. ANFUSO, Chairman of the Committee of the Whole House on the State of the Union, reported that that Committee, having had under consideration the bill (H.R. 12311) to extend for 1 year the Sugar Act of 1948, as amended, he reported the bill back to the House with an amendment adopted by the Committee of the Whole.

The SPEAKER pro tempore. Under the rule, the previous question is ordered.

The question is on the amendment.

The amendment was agreed to.

The SPEAKER pro tempore. The question is on the engrossment and third reading of the bill.

The bill was ordered to be engrossed and read a third time, and was read the third time.

The SPEAKER pro tempore. The question is on the passage of the bill.

Mr. HOEVEN. On that, Mr. Speaker, I demand the yeas and nays.

The yeas and nays were ordered.

The question was taken; and there were—yeas 395, nays 0, answered "present" 0, not voting 37, as follows:

[No. 170]

YEAS—395

Abbott	Canfield	Foley
Abernethy	Cannon	Forand
Adair	Casey	Ford
Addonizio	Cederberg	Forrester
Albert	Celler	Fountain
Alexander	Chamberlain	Frazier
Alger	Chelf	Frelinghuysen
Allen	Chenoweth	Friedel
Andersen,	Church	Fulton
Minn.	Clark	Gallagher
Andrews	Coad	Garmatz
Anfuso	Coffin	Gary
Arends	Cohelan	Gathings
Ashmore	Collier	Gavin
Aspinall	Colmer	George
Auchincloss	Conte	Gialmo
Avery	Cook	Gilbert
Ayres	Cooley	Goodell
Baldwin	Corbett	Granahan
Baring	Cramer	Grant
Barr	Cunningham	Green, Oreg.
Barry	Curtin	Green, Pa.
Bass, N.H.	Curtis, Mass.	Griffin
Bass, Tenn.	Curtis, Mo.	Griffiths
Bates	Daddario	Gross
Baumhart	Dague	Gubser
Becker	Daniels	Hagen
Beckworth	Davis, Tenn.	Haley
Belcher	Delaney	Halleck
Bennett, Fla.	Denton	Halpern
Bennett, Mich.	Derounian	Hardy
Berry	Derwinski	Hargis
Betts	Devine	Harmon
Boggs	Diggs	Harris
Boland	Dingell	Harrison
Bolling	Dixon	Hays
Bolton	Donohue	Healey
Bonner	Dooley	Hébert
Bosch	Dorn, N.Y.	Hechler
Bow	Dorn, S.C.	Hemphill
Boykin	Dowdy	Henderson
Brademas	Downing	Herlong
Bray	Doyle	Hess
Breeding	Dulski	Hiestand
Brewster	Durham	Hoeven
Brock	Dwyer	Hoffman, Ill.
Brooks, La.	Elliot	Hoffman, Mich.
Brooks, Tex.	Everett	Hogan
Broomfield	Evins	Holifield
Brown, Ga.	Fallon	Holland
Brown, Ohio	Farbstein	Hoit
Broyhill	Fascell	Holtzman
Budge	Feighan	Horan
Burdick	Fenton	Hosmer
Burke, Ky.	Fino	Huddleston
Burke, Mass.	Fisher	Hull
Burleson	Flood	Ikard
Byrne, Pa.	Flynn	Inouye
Byrnes, Wis.	Flynt	Irwin
Cahill	Fogarty	Jennings

Jensen	Minshall	Rutherford
Johansen	Mitchell	St. George
Johnson, Calif.	Moeller	Santangelo
Johnson, Colo.	Monagan	Saund
Johnson, Md.	Montoya	Saylor
Johnson, Wis.	Moore	Schenck
Jonas	Moorhead	Scherer
Jones, Ala.	Morgan	Schneebell
Jones, Mo.	Morris, N. Mex.	Schwengel
Judd	Morrison	Scott
Karsten	Moss	Selden
Karth	Moulder	Shelley
Kasem	Multer	Shipley
Kastenmeier	Mumma	Short
Kearns	Murphy	Sikes
Keith	Murray	Siler
Kelly	Natcher	Simpson
Kilburn	Nelsen	Sisk
Kilday	Nix	Slack
Kilgore	Norblad	Smith, Calif.
King, Calif.	Norrell	Smith, Iowa
King, Utah	O'Brien, Ill.	Smith, Kans.
Kirwan	O'Brien, N.Y.	Smith, Miss.
Kitchin	O'Hara, Ill.	Smith, Va.
Kluczynski	O'Hara, Mich.	Springer
Knox	O'Konski	Staggers
Kowalski	O'Neill	Stratton
Kyl	Oliver	Stubblefield
Lafore	Osmers	Sullivan
Laird	Ostertag	Taber
Lassman	Passman	Taylor
Lane	Patman	Teague, Calif.
Langen	Pelly	Teague, Tex.
Lankford	Perkins	Teller
Latta	Pfost	Thomas
Lennon	Philbin	Thompson, La.
Lesinski	Pilcher	Thompson, Tex.
Levering	Pillion	Thomson, Wyo.
Libonati	Pirnie	Thornberry
Lindsay	Poage	Toll
Lipscomb	Poff	Tollefson
Loser	Porter	Trimble
McCormack	Powell	Tuck
McCulloch	Preston	Udall
McDonough	Price	Ullman
McDowell	Prokop	Utt
McFall	Pucinski	Vanik
McGinley	Quie	Van Pelt
McGovern	Quigley	Van Zandt
McIntire	Rabaut	Wainwright
McMillan	Rains	Wallhauser
McSweeney	Randall	Walter
Macdonald	Ray	Wampler
Machrowicz	Reece, Tenn.	Watts
Mack	Rees, Kans.	Weaver
Madden	Reuss	Weis
Magnuson	Rhodes, Ariz.	Westland
Mahon	Rhodes, Pa.	Wharton
Mailliard	Riehlman	Whitener
Marshall	Riley	Whitten
Matthews	Rivers, Alaska	Widnall
May	Rivers, S. C.	Williams
Meador	Roberts	Willis
Merrow	Robison	Wilson
Metcalf	Rodino	Winstead
Meyer	Rogers, Colo.	Wolf
Michel	Rogers, Fla.	Wright
Miller, Clem	Rogers, Mass.	Yates
Miller,	Rogers, Tex.	Young
George, P.	Rooney	Zablocki
Miller, N.Y.	Roosevelt	Zelenko
Milliken	Rostenkowski	
Mills	Roush	

NAYS—0

ANSWERED "PRESENT"—0

NOT VOTING—37

Alford	Buckley	Martin
Anderson,	Carnahan	Mason
Mont.	Chipfield	Morris, Okla.
Ashley	Davis, Ga.	Sheppard
Bailey	Dawson	Spence
Baker	Dent	Steed
Barden	Edmondson	Thompson, N.J.
Barrett	Glenn	Vinson
Bentley	Gray	Wier
Blatnik	Jackson	Withrow
Blitch	Jarman	Younger
Bowles	Kee	
Brown, Mo.	Keogh	

So the bill was passed.

The Clerk announced the following pairs:

Mr. Alford with Mr. Martin.

Mr. Bowles with Mr. Baker.

Mr. Carnahan with Mr. Chipfield.

Mr. Edmondson with Mr. Glenn.

Mr. Anderson of Montana with Mr. Mason.

Mr. Thompson of New Jersey with Mr. Withrow.

Mr. Vinson with Mr. Jackson.

Mr. Dent with Mr. Younger.

Mr. Barrett with Mr. Bentley.

The result of the vote was announced as above recorded.

A motion to reconsider was laid on the table.

AMENDING CERTAIN LAWS OF THE UNITED STATES IN LIGHT OF THE ADMISSION OF THE STATE OF HAWAII INTO THE UNION

Mr. ASPINALL. Mr. Speaker, I offer a concurrent resolution (H. Con. Res. 706) and ask unanimous consent for its immediate consideration.

The Clerk read the resolution as follows:

Resolved by the House of Representatives (the Senate concurring), That in the enrollment of the bill (H.R. 11602) entitled "An act to amend certain laws of the United States in light of the admission of the State of Hawaii into the Union, and for other purposes," the Clerk of the House be, and he is hereby, authorized and directed to make the following corrections in the House engrossed bill: On page 9, line 7, strike out "1960," and insert "1950,"; on page 15, line 15, strike "1960" and insert "1950,"; on page 31, line 2, strike out "15(a)" and insert "14(a)"; on page 31, line 3, strike out "24(a)," and insert "23(a)"; on page 31, line 4, strike out "3 of section 30(d)," and insert "(3) of section 29(d)"; on page 31, line 5, strike out "section 31," and insert "section 30,"; on page 31, line 6, strike out "section 21(b)" and insert "section 20(b)"; on page 31, line 12, strike out "31(a)" and insert "30(a)"; on page 31, line 24, strike out "section 15" and insert "section 14"; on page 32, line 2, strike out "section 15(a)" and insert "section 14 (a)"; on page 32, line 8, strike out "section 15(a)" and insert "section 14(a)"; on page 32, line 10, strike out "section 31(c) (1)" and insert "section 30(c) (1)"; on page 32, line 15, strike out "section 15, by section 21 (a)," and insert "section 14, by section 20 (a)"; on page 32, line 16, strike out "24(b)," and insert "23(b)"; on page 32, line 17, strike out "section 30," and insert "section 29,"; and on page 32, line 18, strike out "section 31" and insert "section 30."

The SPEAKER. Is there objection to the request of the gentleman from Colorado?

There was no objection.

The resolution was agreed to.

A motion to reconsider was laid on the table.

INTERNAL REVENUE CODE OF 1954

Mr. FORAND. Mr. Speaker, I ask unanimous consent to take from the Speaker's table the bill (H.R. 8229) to amend the Internal Revenue Code of 1954 to provide an exemption from income tax for supplemental unemployment benefit trusts, with Senate amendments thereto, disagree to the Senate amendments, and agree to the conference asked by the Senate.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Rhode Island? The Chair hears none, and appoints the following conferees: Messrs. MILLS, FORAND, KING of California, MASON, and BYRNES of Wisconsin.

BOUNDARY MARKERS ON INDIAN RESERVATIONS

Mr. LIBONATI. Mr. Speaker, I ask unanimous consent to take from the Speaker's desk the bill (H.R. 4386) to amend title 18 of the United States Code to make it unlawful to destroy, deface, or remove certain boundary markers on Indian reservations, and to trespass on Indian reservations to hunt, fish, or trap, with Senate amendments thereto, and concur in the Senate amendments.

The Clerk read the title of the bill.

The Clerk read the Senate amendments, as follows:

Page 2, line 14, after "fishing" insert "thereon".

Page 2, line 15, after "fish" insert "therefrom".

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Illinois?

There was no objection.

The Senate amendments were concurred in.

A motion to reconsider was laid on the table.

COORDINATED SYSTEM OF TRANSPORTATION FOR THE NATION'S CAPITAL

Mr. McMILLAN submitted the following conference report and statement on the bill (H.R. 11135) to aid in the development of a coordinated system of transportation for the National Capital region; to create a temporary National Capital Transportation Agency; to authorize negotiation to create an interstate agency; and for other purposes.

CONFERENCE REPORT (H. REPT. No. 2061)

The committee of conference on the disagreeing votes of the two Houses on the amendment of the Senate to the bill (H.R. 11135) to aid in the development of a coordinated system of transportation for the National Capital region; to create a temporary National Capital Transportation Agency; to authorize negotiation to create an interstate agency; and for other purposes, having met, after full and free conference, have agreed to recommend and do recommend to their respective Houses as follows:

That the House recede from its disagreement to the amendment of the Senate and agree to the same with an amendment as follows: In lieu of the matter proposed to be inserted by the Senate amendment insert the following:

"TITLE I—SHORT TITLE, STATEMENT OF FINDINGS AND POLICY, AND DEFINITIONS

"Short title

"Sec. 101. This Act may be cited as the 'National Capital Transportation Act of 1960'.

"Statement of findings and policy

"Sec. 102. The Congress finds that an improved transportation system for the National Capital region (1) is essential for the continued and effective performance of the functions of the Government of the United States, for the welfare of the District of Columbia, for the orderly growth and development of the National Capital region, and for the preservation of the beauty and dignity of the Nation's Capital; (2) requires the planning on a regional basis of a unified system of freeways, parkways, express transit service on exclusive rights-of-way, and other major transportation facilities; (3) requires cooperation among the Federal, State, and

local governments of the region and public carriers in the development and administration of major transportation facilities; (4) requires financial participation by the Federal Government in the creation of certain major transportation facilities that are beyond the financial capacity or borrowing power of the public carriers, the District of Columbia, and the local governments of the region; and (5) requires coordination of transportation facilities with other public facilities and with the use of land, public and private. The Congress therefore declares that it is the continuing policy and responsibility of the Federal Government, in cooperation with the State and local governments of the National Capital region, and making full use of private enterprise whenever appropriate, to encourage and aid in the planning and development of a unified and coordinated transportation system for the National Capital region.

"Definitions"

"SEC. 103. When used in this Act—

"(a) 'National Capital region' means the District of Columbia, Montgomery and Prince Georges Counties in the State of Maryland, Arlington, Fairfax, Loudoun, and Prince William Counties and the cities of Alexandria and Falls Church in the Commonwealth of Virginia, and all other cities now or hereafter existing in Maryland or Virginia within the geographic area bounded by the outer boundaries of the combined area of said counties and cities.

"(b) 'Government agency' and 'government agencies' mean the Government of the United States, District of Columbia, Commonwealth of Virginia, State of Maryland, or any political subdivision, agency, or instrumentality thereof which is located within, or whose jurisdiction includes all or part of, the National Capital region; the term includes, but is not limited to, public authorities, towns, villages, cities, other municipalities, and counties.

"TITLE II—CREATION OF A NATIONAL CAPITAL TRANSPORTATION AGENCY"

"National Capital Transportation Agency"

"SEC. 201. (a) There is hereby established the National Capital Transportation Agency (hereinafter referred to as the 'Agency'). The Agency shall be subject to the direction and supervision of the President, or the head of such department or agency as he may designate. The Agency shall be headed by an Administrator who shall be appointed by the President, by and with the advice and consent of the Senate, and who shall receive compensation at a rate equal to the maximum rate for grade 18 of the General Schedule of the Classification Act of 1949, as amended, plus \$500 per annum.

"(b) To assist the Administrator in the execution of the functions vested in the Agency there shall be a Deputy Administrator who shall be appointed by the President, by and with the advice and consent of the Senate, and who shall receive compensation at a rate equal to the maximum rate for grade 18 of the General Schedule of the Classification Act of 1949, as amended. The Deputy Administrator shall perform such duties as the Administrator may from time to time designate and shall be Acting Administrator during the absence or disability of the Administrator.

"(c) No Administrator or Deputy Administrator shall, during his continuance in office, be engaged in any other business, but shall devote himself to the work of the Agency. No Administrator or Deputy Administrator or member of the Advisory Board (established in section 202) shall have financial interest in any corporation engaged in the business of providing public transportation nor in any corporation engaged in the manufacture or selling of passenger transportation equipment or facilities.

"Advisory board"

"SEC. 202. There is established an Advisory Board of the National Capital Transportation Agency. The Advisory Board shall be composed of five members appointed by the President, by and with the advice and consent of the Senate, at least three of whom shall be residents of the National Capital region. The President shall designate one member as chairman. The Advisory Board shall meet at least once every ninety days. The Advisory Board shall advise the Administrator in respect of such matters as the general policies of the Agency; Agency policies in connection with acquisition, design, and construction of facilities; fees for the use of Agency facilities and property; planning and administration generally; and such other matters as may be referred to it by the Administrator or which the Advisory Board, in its discretion, may consider. Each member of the Advisory Board, when actually engaged in the performance of his duties, shall receive for his services compensation at a rate not in excess of the per diem equivalent of the maximum rate for grade 18 of the General Schedule of the Classification Act of 1949, as amended, together with travel expenses as authorized by section 5 of the Act of August 2, 1946, as amended (5 U.S.C. 73b-2), for persons employed intermittently as consultants or experts and receiving compensation on a per diem when actually employed basis.

"Advisory and coordinating committees"

"SEC. 203. (a) The Administrator is authorized to establish such advisory and coordinating committees composed of representatives of State and local governments, Federal agencies, other Government agencies, and such private organizations and persons as may be necessary or helpful to obtain the maximum amount of cooperation and correlation of effort in order that a coordinated system of transportation be developed for the National Capital region. These advisory and coordinating committees shall consider problems referred to them by the Administrator and shall make recommendations to the Administrator concerning the activities of the Agency as they affect transit traffic, and highway conditions, and other matters of mutual interest to the Agency and to the Government agencies, organizations, and persons represented on the advisory and coordinating committees.

"(b) The advisory and coordinating committees shall serve the Agency solely in an advisory capacity. Members of such committees shall serve thereon without additional compensation. Members who are not representatives of an agency of the United States may receive travel expenses as authorized by section 5 of the Act of August 2, 1946, as amended (5 U.S.C. 73b-2), for persons serving without compensation.

"Preparation and approval of transit development program"

"SEC. 204. The Agency—

"(a) Shall prepare, and may from time to time revise, a Transit Development Program. The Transit Development Program shall consist of a plan or plans indicating the general location of facilities in which the Agency will participate for the transportation of persons within the National Capital region, a timetable for the provision of such facilities and comprehensive financial reports including costs, revenues, and benefits. The Transit Development Program may indicate (1) the routes of surface, subsurface, and elevated carriers, including bus and other motor vehicle carriers, rail carriers, waterborne carriers, air carriers, and other carriers, and (2) the location and extent of terminals, stations, platforms, motor vehicle parking facilities for transit users, extra-wide median strips and other rights-of-way,

docks, rails or tracks or other similar facilities, bridges, tunnels, buildings or structures powerplants, repair shops, yards, garages, and other necessary facilities relating to the transportation of persons. The Transit Development Program shall, to the extent practicable, conform to the general plan for the development of the National Capital region and to the comprehensive plan for the National Capital within the meaning of sections 3, 4, and 5 of the National Capital Planning Act of 1952 (66 Stat. 781), except as may be determined by the President.

"(b) Shall, in the preparation of the Transit Development Program, give special consideration to:

"(1) Expanded use of existing facilities and services, including expanded use and development of existing railroad lines into the District of Columbia, and coordinated and efficient transit service across jurisdictional boundaries and between areas served by different companies: *Provided*, That the Public Utilities Commission of the District of Columbia, before granting its approval to any further conversion by the D.C. Transit System, Inc., of street railway operations to bus operations as provided in section 7 of the Act of July 24, 1956 (70 Stat. 598), shall consult with the Agency on the possible use of street railway facilities and equipment in the Transit Development Program. The Commission may withhold its approval of such conversion and require the preservation of equipment and facilities already withdrawn from service if it finds that there is a substantial possibility that the Transit Development Program will provide for the continued use of street railway facilities and equipment.

"(2) Early development of a subway from Union Station capable of rapid dispersal of passengers from the railroad to the principal employment centers in the District of Columbia and its immediate environs, and capable of being extended to serve other parts of the region: *Provided*, That no freeway, or new parkway more than two lanes in width, shall be built within the District of Columbia west of Twelfth Street, Northwest, and north of either the north or the west legs of the proposed Inner Loop Freeway, the proposed Potomac River Expressway, or the proposed Palisades Parkway, before July 1, 1965; and the Agency shall not later than January 10, 1965, submit to the President, for transmittal to Congress, its recommendation as to whether any such freeway or parkway should thereafter be built.

"(3) Acquisition and development of rights-of-way and related facilities for providing express transit lines in conjunction with major highways and bridges.

"(c) Shall prepare proposals for implementing each part of the Transit Development Program, including preliminary engineering plans, descriptions of the character of services to be rendered, estimates of costs and revenues, arrangements for financing and organization, and other information setting forth the manner in which the program is to be carried out: *Provided*, That no part of the Transit Development Program shall be carried out by the Agency until a report containing a full and complete description of that part of the program has been transmitted to the Congress, and the execution of that part of the program has been expressly authorized by legislation thereafter enacted by the Congress.

"(d) In order to facilitate the transition from a Federal agency to an interstate proprietary agency and to further coordination within the National Capital region, shall submit the Transit Development Program and any revision thereof: (1) to the governing bodies of the District of Columbia, Montgomery and Prince Georges Counties in the State of Maryland, and Arlington, Fairfax,



Digest of CONGRESSIONAL PROCEEDINGS

OF INTEREST TO THE DEPARTMENT OF AGRICULTURE

OFFICE OF
BUDGET AND FINANCE

(For Department
Staff Only)

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For actions of July 1, 1960
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HIGHLIGHTS: Senate passed supplemental appropriation bill. Senate committee reported resolution to adjust sugar quotas. Both Houses agreed to conference reports and cleared for President: Independent offices appropriation bill; legislative branch appropriation bill. Senate agreed to conference report on general Government matters appropriation bill. Both Houses passed appropriation continuation measure. Both Houses overrode President's veto of pay raise bill. House received conference report on road authorization bill, including forest roads. House committee voted to report bill to permit inclusion of administrative costs in crop insurance premiums.

SENATE

1. SUPPLEMENTAL APPROPRIATION BILL, 1961. By a vote of 90 to 2, passed with amendments this bill, H. R. 12740 (pp. 14378-80). The bill had been reported earlier by the Appropriations Committee with amendments (S. Rept. 1832) (p. 14378).

Agreed to the following committee amendments: To strike out \$500,000 to ARS for the construction of an entomology laboratory and insert \$5,200,000 to ARS for the construction of facilities; to provide to SCS \$1,800,000 additional for watershed protection and \$1,570,000 for flood prevention; to provide \$1,350,000 addition to AMS to permit inspection of poultry-food products in processing plants during fiscal year 1961; and to provide \$30,000,000 to the

Bureau of Public Roads for payment of obligations incurred in the construction of forest highways. p. 14378

Agreed to an amendment by Sen. Hayden to provide that appropriations, authorizations, and funds available to departments and agencies for the fiscal year 1961 may be apportioned on the basis indicating the need for supplemental estimates so as to permit the payment of pay increases provided for in new pay raise law. p. 14379

Agreed to an amendment by Sen. Johnson to provide \$5,031,000 for construction of an international storage dam on the Rio Grande by the U. S. and Mexico. (p. 14379). Conferees were appointed. p. 14380

2. INDEPENDENT OFFICES APPROPRIATIONS BILL, 1961. Both Houses agreed to the conference report on this bill, H. R. 11776, and acted on amendments in disagreement. This bill will now be sent to the President. pp. 14294-6, 14309-12
3. GENERAL GOVERNMENT MATTERS APPROPRIATION BILL, 1961. Agreed to the conference report on this bill, H. R. 11389, and acted on amendments in disagreement. This bill will now be sent to the President. p. 14297
4. SUGAR. The Finance Committee reported without amendment S. J. Res. 217, to authorize the President to make certain adjustments in the sugar quotas for foreign countries (S. Rept. 1833). p. 14215
Sen. Long, Hawaii, inserted a newspaper editorial, "Sugar as a Foreign Policy Instrument," discussing the proposed legislation to give the President authority to adjust foreign sugar quotas. p. 14226
5. LEGISLATIVE APPROPRIATION BILL, 1961. Both Houses agreed to the conference report on this bill, H. R. 12232, with the Senate agreeing to recede from the remaining amendment of the Senate in disagreement. This bill will now be sent to the President. pp. 14297-9, 14341
6. PERSONNEL; PAY RAISE. Both Houses voted to override the President's veto of H. R. 9883, the pay raise bill for Federal employees (the House by a vote of 345 to 69, and the Senate by a vote of 74 to 24). The bill now becomes law. pp. 14307-8, 14264, 14265-6, 14275-92 (Public Law 86-568)
7. TEMPORARY APPROPRIATIONS. Both Houses passed without amendment H. J. Res. 778, the appropriations continuation resolution to make temporary appropriations until Aug. 31, 1960, to those departments and agencies whose annual appropriation bills have not yet been enacted. This measure will now be sent to the President. pp. 14293, 14307-8
8. LANDS. Passed with amendment S. 2587, to require an act of Congress for public land withdrawals in excess of 5,000 acres in the aggregate for any project or facility of any department or agency of the Government. pp. 14416-7
Passed with amendments H. R. 7004, to permit consistent practices in the management of all Bureau of Land Management lands so far as investigations, cooperative agreements, and acceptance of contributions are concerned. pp. 14428-9
9. HAWAII. Agreed to H. Con. Res. 706, authorizing certain correction in the enrolling of H. R. 11602, to amend certain laws in light of the admission of Hawaii into the Union. p. 14268
10. MILITARY CONSTRUCTION APPROPRIATION BILL, 1961. Both Houses agreed to the conference report on this bill, H. R. 12231, and acted on amendments in disagreement. This bill will now be sent to the President. pp. 14293-4, 14308-9

TEMPORARY ADJUSTMENT OF SUGAR QUOTAS

JULY 1, 1960.—Ordered to be printed

Mr. BYRD of Virginia, from the Committee on Finance, submitted the following

REPORT

[To accompany S.J. Res. 217]

The Committee on Finance, to whom was referred the joint resolution (S.J. Res. 217) to authorize the President to make certain adjustments in the sugar quotas for foreign countries, having considered the same, report favorably thereon without amendment and recommend that the joint resolution do pass.

PURPOSE

This joint resolution would grant to the President the authority to determine the sugar quota for Cuba for the balance of the year 1960 in such amount or amounts as he finds in the national interest.

GENERAL STATEMENT

The Finance Committee, realizing the extreme emergency with regard to sugar quotas, has approved this resolution to prevent possible catastrophe during the time Congress is in recess.

The Cuban sugar quota is well on its way to being filled for the current year, 1960. However, a considerable amount of sugar may still be shipped from Cuba under the 1960 quota arrangement. Much, if not all, of this could be landed on our shores during the month of July and before the Congress reconvenes in August.

The House-passed bill, H.R. 12311, has just been referred to the Finance Committee. It comes so late that there is no time for hearings and it is sufficiently controversial in nature that it would appear to be impossible to expect the Senate to act in the 1 day left before the recess begins.

The Congress is thereby faced with the problem of having no sugar legislation pass the Congress before returning in August. During this period Cuba, with a stepped up shipping program known to be under-

1 would be provided for Cuba under the terms of title II of
2 such Act in the absence of the provisions of this joint reso-
3 lution, and such determinations shall become effective imme-
4 diately upon publication in the Federal Register of the Pres-
5 ident's proclamation thereof;

6 (2) For the purposes of meeting the requirements of
7 consumers in the United States, the President is thereafter
8 authorized to cause or permit to be brought or imported into
9 or marketed in the United States, at such times and from
10 such sources, foreign or domestic, including any country
11 whose quota has been so reduced or which has not been
12 assigned a quota under such Act, and subject to such terms
13 and conditions as he deems appropriate under the prevail-
14 ing circumstances, a quantity of sugar, not in excess of the
15 sum of any reductions in quotas made pursuant to this joint
16 resolution: *Provided*, That, except with respect to Cuba,
17 no action under this joint resolution shall alter the quota
18 rights of any country as now established in such Act: *Pro-*
19 *vided further*, That if the President finds that raw sugar is
20 not reasonably available, he may, as provided above, cause
21 or permit to be imported such quantity of sugar in the form
22 of direct-consumption sugar as may be required.

H. R. 1000

OFFICE OF THE SECRETARY OF DEFENSE

WASHINGTON, D. C.

JOINT RESOLUTION

(Approved for 1900)

27 JUL 51

Deposited for 1900

JOINT RESOLUTION

To authorize the President to make certain adjustments in the sugar quotas for foreign countries.

By Mr. BENNETT, Mr. SMATHERS, Mr. LONG of Louisiana, Mr. ELLENDER, Mr. TALMADGE, Mr. HOLLAND, Mr. MANSFIELD, Mr. MAGNUSON, Mr. DIRKSEN, Mr. KUCHEL, Mr. AIKEN, Mr. MURRAY, Mr. MOSS, Mr. YOUNG of North Dakota, Mr. SCHOEPPel, Mr. CHURCH, Mr. DWORSHAK, Mr. ALLOTY, Mr. MUNDT, Mr. CASE of South Dakota, Mr. HRUSKA, Mr. BRUNSDALE, Mr. BARTLETT, Mr. CURTIS, and Mr. JACKSON

July 1, 1960

Read twice and referred to the Committee on Finance

July 1, 1960

Reported without amendment

86TH CONGRESS
2D SESSION

H. R. 12311

IN THE SENATE OF THE UNITED STATES

JULY 1, 1960

Received

AN ACT

To extend for one year the Sugar Act of 1948, as amended.

1 *Be it enacted by the Senate and House of Representa-*
2 *tives of the United States of America in Congress assembled,*
3 That section 412 of the Sugar Act of 1948 (relating to ter-
4 mination of the powers of the Secretary under the Act) is
5 amended by striking out "1960" in each place it appears
6 therein and inserting in lieu thereof "1961".

7 SEC. 2. Sections 4501 (c) and 6412 (d) (relating to the
8 termination and refund of taxes on sugar) of the Internal
9 Revenue Code of 1954 are amended by striking out "1961"
10 in each place it appears therein and inserting in lieu thereof
11 "1962".

1 SEC. 3. Section 204 (c) of the Sugar Act of 1948, as
2 amended (relating to proration of deficits), is amended by
3 striking out "shall not be reduced" and inserting "may be
4 reduced".

5 SEC. 4. Section 302 (b) of the Sugar Act of 1948, as
6 amended (relating to the establishment of proportionate
7 shares for farms), is amended by striking out the period at
8 the end of the first sentence and inserting a colon and the
9 following: *Provided*, That 75 per centum of any increase in
10 proportionate shares in any area where restrictions are in
11 effect for the 1961 crop year over the total of restricted pro-
12 portionate shares established for such area in the preceding
13 year, less any shares arising from the 1960 growth factor,
14 shall be reserved for new producers.

15 SEC. 5. Section 408 of the Sugar Act of 1948, as
16 amended (relating to suspension of quotas), is amended
17 to designate such section as subsection "(a)"; and to add
18 a new subsection "(b)" as follows:

19 "(b) Notwithstanding the provisions of title II of this
20 Act, for the period ending December 31, 1961:

21 "(1) The President shall determine, notwithstanding
22 any other provisions of title II, the quota for Cuba for the
23 balance of calendar year 1960 and for calendar year 1961
24 in such amount or amounts as he shall find from time to
25 time to be in the national interest: *Provided, however*,

1 That in no event shall such quota at any time exceed such
2 amount as would be provided for Cuba under the terms
3 of title II in the absence of the amendments made herein,
4 and such determinations shall become effective immediately
5 upon publication in the Federal Register of the President's
6 proclamation thereof;

7 “(2) For the purposes of meeting the requirements
8 of consumers in the United States, the President is there-
9 after authorized to cause or permit to be brought or imported
10 into or marketed in the United States, at such times and
11 from such sources, including any country whose quota
12 has been so reduced, and subject to such terms and condi-
13 tions as he deems appropriate under the prevailing circum-
14 stances, a quantity of sugar, not in excess of the sum of
15 any reductions in quotas made pursuant to this subsection:
16 *Provided, however,* That any part of such quantity equiva-
17 lent to the proration of domestic deficits to the country
18 whose quota has been reduced may be allocated to domestic
19 areas and the remainder of such quantity (plus any part
20 of such allocation that domestic areas are unable to fill)
21 shall be apportioned in raw sugar as follows:

22 “(i) There shall first be allocated to other foreign
23 countries for which quotas or prorations thereof of not
24 less than three thousand or more than ten thousand
25 short tons, raw value, are provided in section 202 (c),

1 such quantities of raw sugar as are required to permit
2 importation in such calendar year of a total of ten thou-
3 sand short tons, raw value, from such country;

4 “(ii) There shall next be apportioned to the Re-
5 public of the Philippines 15 per centum of the remainder
6 of such importation;

7 “(iii) The balance, including any unfilled balances
8 from allocations already provided, shall be allocated to or
9 purchased from foreign countries having quotas under
10 section 202 (c), other than those provided for in the
11 preceding subparagraph (i), in amounts prorated ac-
12 cording to the quotas established under section 202 (c) :
13 *Provided*, That if additional amounts of sugar are re-
14 quired the President may authorize the purchase of
15 such amounts from any foreign countries, without regard
16 to allocation;

17 “(3) If the President finds that raw sugar is not reason-
18 ably available, he may, as provided in (2) above, cause or
19 permit to be imported such quantity of sugar in the form
20 of direct-consumption sugar as may be required.”

21 SEC. 6. Sections 101 (j), 203, 205 (a), 209 (a),

1 209 (c) , and 307 of the Sugar Act of 1948, as amended, are
2 each amended by striking out the words “The Territory of”
3 in each place where they appear therein.

Passed the House of Representatives June 30, 1960.

Attest:

RALPH R. ROBERTS,

Clerk.

86TH CONGRESS
2D SESSION

H. R. 12311

AN ACT

To extend for one year the Sugar Act of 1948,
as amended.

JULY 1, 1960
Received

Digest of CONGRESSIONAL PROCEEDINGS

OF INTEREST TO THE DEPARTMENT OF AGRICULTURE

OFFICE OF
BUDGET AND FINANCE

(For Department
Staff Only)

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86th-2d, No. 124

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HIGHLIGHTS: Senate passed and House rejected measure to permit President to adjust urban sugar quota. Sen. Johnson proposed new farm program. Sen. Carlson urged study of wheat. Both Houses received conference report on supplemental appropriation bill. Both Houses agreed to conference report on road authorization bill, including forest roads. Senate confirmed nomination of Stephens to be USDA General Counsel. Sen. Murray introduced and discussed bill to establish National Wilderness Preservation System. Sen. Humphrey introduced and discussed bill to establish national security food and fiber reserve.

*HOUSE

1. **SUPPLEMENTAL APPROPRIATION BILL, 1961.** Both Houses considered Senate amendments to this bill, H. R. 12740 (pp. 14603, 14616-31, 14651, 14586). By a vote of 257 to 109, the House agreed to a Rules Committee resolution providing for consideration of the bill with Senate amendments (pp. 14616-27). The House concurred in Senate amendments to provide to SCS \$1,800,000 additional for watershed protection and \$1,570,000 additional for flood prevention activities (p. 14628). The House receded from its disagreement to, and concurred in, Senate amendments to strike out \$500,000 to ARS for the construction of an entomology laboratory and insert \$5,200,000 to ARS for the construction of facilities, and to provide \$1,350,000 addition to AMS to permit inspection of poultry

food products in processing plants during fiscal year 1961 (p. 14651). The House agreed to insist on its disagreement to a Senate amendment to provide \$30,000,000 to the Bureau of Public Roads for payment of obligations incurred in the construction of forest highways, and a Senate amendment to provide that appropriations, authorizations, and funds available to departments and agencies for the fiscal year 1961 may be apportioned on the basis indicating the need for supplemental estimates so as to permit the payment of pay increases provided for in new pay raise law (p. 14651).

2. SUGAR. Agreed to a resolution (H. Res. 598) providing for the return to the Senate without action S. J. Res. 217, to permit the President to adjust Cuban sugar quotas for the balance of the calendar year 1960. Rep. McCormack stated that the resolution "states that the House respectfully declines to receive it on the ground that it involves revenue or affects revenue; and, under the Constitution, such legislation should originate in the House of Representatives." p. 14657
3. ROADS; FORESTRY. Both Houses agreed to the conference report on H. R. 10495, the highway authorization bill. As agreed to the bill authorizes \$33,000,000 for forest highways for each of the fiscal years 1962 and 1963, and \$35,000,000 and \$40,000,000 for the fiscal years 1962 and 1963, respectively, for forest development roads and trails, and authorizes \$500,000 for the construction of a road on forest land in Ga. (pp. 14546-9, 14602-3). This bill will now be sent to the President.
4. POSTAL RATES; EDUCATION. Concurred in the Senate amendments to H. R. 4595, to clarify and make uniform certain provisions of law relating to special postage rates for educational, cultural, and library materials (pp. 14599-600). This bill will now be sent to the President.
5. LAND-GRANT COLLEGES; EDUCATION. Passed without amendment S. 3450, to amend section 22 (relating to the endowment and support of colleges of agriculture and mechanic arts) of the Act of June 29, 1935, so as to increase the authorized appropriation for resident teaching grants to land-grant institutions. The bill increases the amount to be equally distributed to States from \$1 million each fiscal year to \$7,650,000, and increases the amount to be distributed annually on the basis of relative population from \$1,501,500 each fiscal year to \$4,300,000. (pp. 14606-12) This bill will now be sent to the President. A similar bill, H. R. 10876 was tabled.
6. LANDS. Concurred in the Senate amendment to H. R. 7004, to permit consistent practices in the management of all Bureau of Land Management lands so far as investigations, cooperative agreements, and acceptance of contributions are concerned (p. 14631). This bill will now be sent to the President.
7. COCONUT MEAT; SOFT WOODS. Agreed to the conference report on H. R. 11748, relating to the suspension of duty on metal scrap, including provisions to fix the import duty at 1-1/10 cents per pound on fresh coconut meat which has not been desiccated, and provides for the duty-free importation of tight barrelheads of soft wood (pp. 14604-5). This bill will now be sent to the President.

*(This is a partial report; the balance of the proceedings for July 2 have not yet been printed.)

SENATE

8. FARM PROGRAM. Sen. Johnson criticized the farm program, stating that, "The basic aim of any farm program should be to create conditions under which the family-size farm can be operated at a reasonable profit," and called for better distribution and price support programs on a commodity-by-commodity basis, and agreement by farmers "on the programs that are best for them." pp. 14446-7
9. WHEAT. Sen. Carlson inserted and commended this Department's reply to his letter requesting a study "in regard to the relation of wheat to the rest of the economy," in which he was informed that such a study had been started and the results would be provided "as early as possible." He further commended Secretary Benson for his "prompt response to this request." pp. 14467-8
10. NOMINATION. Confirmed the nomination of Mr. Carl J. Stephens to be General Counsel of this Department. p. 14595
11. SUGAR. By a vote of 80 to 0, passed with amendment S. J. Res. 217, to give the President authority to determine the sugar quota for Cuba for the balance of the calendar year 1960 in such amounts as he shall find from time to time to be in the national interest. pp. 14532-3, 14533-4, 14546, 14549-53
12. PERSONNEL. Sen. Byrd, chairman, Joint Committee on Reduction of Nonessential Federal Expenditures, inserted a report of the committee, "Federal Personnel in Executive Branch, May 1960 and April 1960, and Pay, April 1960 and March 1960." pp. 14447-50
Sen. Bush inserted two articles criticizing the action of Congress in overriding the President's veto of the Federal employees pay raise bill.
pp. 14573-4
Passed as reported S. Res. 338, expressing the sense of the Senate "that individuals appointed to administrative and policymaking posts should be willing to serve for a period long enough to permit them to contribute effectively in their assigned tasks" and "that nominees appearing before its committees shall indicate their willingness to serve so long as the President desires."
pp. 14592-3
Passed as reported S. 3147, to provide for adjusting the interest rate payable on obligations of the U. S. purchased by the Civil Service Retirement and Disability Fund. p. 14589
13. ELECTRIFICATION. Sen. Goldwater inserted a report by Sen. Cotton on the accomplishments of the Federal Power Commission under the present administration (1953-60). pp. 14483-4
14. FARM LOANS. Sen. Goldwater commended the Farm Credit Administration and inserted a report by Sen. Allott on the accomplishments of the Farmers Home Administration during the present administration (1953-60). pp. 14484-5
15. PROCUREMENT. Sen. Goldwater commended the work of GSA and inserted a report by Sen. Prouty on GSA accomplishments during the present administration, which contains information on the stockpiling, surplus disposal, Federal supply, and other programs of the organization. pp. 14486-7
16. CONSERVATION. Sen. Mundt urged the selection of Secretary of Interior Seaton as the Vice Presidential candidate by the Republican party and inserted the text of his recent award for "distinguished, courageous service rendered in the conservation and management of the country's natural resources." p. 14490

17. MARGARINE. Sen. Fulbright inserted his statement which reviews the results of the Margarine Act passed in 1950, and calls the Act a "success" for the consumer and for the farmer. pp. 14490-1
18. SURPLUS COMMODITIES. Passed as reported S. 3146, to authorize the CCC to donate dairy products and other agricultural commodities for use in home economics courses. p. 14507
19. ACREAGE ALLOTMENTS. Passed without amendment S. 3533, to provide that the protection of cropland acreage and of diverted acreage used in determining acreage allotments and marketing quotas, that is provided by law under the Great Plains Conservation Program during the life of the contract, would be extended after termination of the contract for an additional period equal to the period of the contract. p. 14507
20. WILDLIFE. Passed as reported H. R. 12533, to amend the Migratory Bird Treaty Act so as to increase the penalties for violations of that act. pp. 14507-8
21. COTTON IMPORTS. Sen. Ervin criticized the Tariff Commission's recent decision that imports of cotton products were having no adverse effect on the cotton export subsidy program, calling it the result of the President's limiting the investigation to those imports which "render or tend to render ineffective, or materially interfere with the export subsidy program," and stating that the "case had been prejudiced from the beginning." He urged a Senate investigation of "this entire shameful incident," and was joined by several other Senators in his criticism. pp. 14521-7, 14529-31
22. FOREIGN TRADE. Sen. Javits urged Congress to consider legislation which would allow the Federal Government "to extend loans and allow tax incentives to business, extend technical and financial assistance to communities and provide retraining and relocation assistance to workers" when the President determines that such industry is suffering as the result of import competition. Sens. Aiken, Hartke, and Kuchel also discussed the problems involved in competition from foreign imports. pp. 14511-6
23. POPULATION. Sen. Hickenlooper inserted a speech by Mr. F. O. Wilcox, Assistant Secretary of State for International Organization Affairs, which states the need for increased financial and technical aid to underdeveloped countries as well as foreign trade as a result of the "population explosion" being experienced by these countries. He includes in his analysis a brief summary of the role the Food and Agriculture Organization of the U. N. should play in this program. pp. 14469-72
24. FOREIGN AFFAIRS. Sen. Hickenlooper inserted a report by Sen. Bridges, "U. S. Foreign Policy Under the Republican Administration -- 1953-60," which includes a review of the work of the administration in the Emergency Coffee Agreement and the International Food for Peace Conference. pp. 14472-3
Sen. Goldwater inserted a report by Sen. Bennett on the accomplishments of the Export-Import Bank during the present administration, which briefly covers the work of the Bank in assisting the sale of farm commodities abroad and the number and amount of loans the bank has made using Public Law 480 funds. pp. 14483-4
25. PERSONNEL. Passed as reported H. R. 7758, to improve the administration of overseas activities of the Government by providing for the establishment of a

Mr. SPARKMAN. I placed it in the CONGRESSIONAL RECORD about a year ago. Then a few months ago I put it in the RECORD again. It is rather refreshing for us to read that letter every once in a while. Does the Senator contend that President Eisenhower and his administration did not make that correction?

Mr. ERVIN. I contend that they did not. I contend that when the President ordered this hearing under section 22, the question to be examined was whether or not there was a material reduction in American textile products made out of American grown cotton by reason of these imports. The President would not let the Tariff Commission investigate that question under section 22. On the contrary, the President limited the inquiry to the effect on exports, not the effect on imports.

Mr. SPARKMAN. President Eisenhower, only 4 years ago, made a promise in writing, addressed to JOE MARTIN, who at that time was the Republican leader in the House, and who had taken the matter up with the President, that the President would take prompt steps to correct the situation. Four years have gone by, and nothing has been done.

Mr. ERVIN. That is correct.

Mr. SPARKMAN. I wonder. We are on the eve of another election. Does the Senator think there might be another "Dear Joe" letter being written this fall?

Mr. ERVIN. I would not be surprised if we once again receive more promises than performance.

Mr. SPARKMAN. In other words, the contention of the Senator from North Carolina is that we cannot rely on these promises, and it looks as if Congress may have to act. Is that correct?

Mr. ERVIN. I think Congress will have to act.

Mr. SPARKMAN. The Senator remembers, does he not, that in 1955, or perhaps it was in 1956, the Foreign Relations Committee barely missed putting an amendment on the mutual security bill to take care of this very situation? On the floor of the Senate an amendment was offered by the late senior Senator from Georgia, Mr. George, the chairman of the Foreign Relations Committee, and it failed of adoption on the Senate floor by a single vote.

Mr. ERVIN. That is correct. As the Senator knows, Congress put in the Reciprocal Trade Agreements Act two provisions to protect American industry against imports, namely, the peril point and escape clauses. It also put section 22 into the Agricultural Adjustment Act to protect American industries manufacturing products out of agricultural commodities. Yet the American textile industry has been unable to get any relief under the present administration under any of these measures which Congress has created for its protection.

Mr. SPARKMAN. I shall ask this final question: Does the Senator from North Carolina agree with me that President Eisenhower and his administration could correct this situation if they would?

Mr. ERVIN. There is absolutely no doubt about that. They have plenty of power to make a full and fair investigation under section 22.

Mr. SPARKMAN. Have they not had that power all along?

Mr. ERVIN. The Senator is correct.

Mr. JOHNSTON of South Carolina. But is it not true that they ditched that investigation and went off on another tangent?

Mr. ERVIN. They restricted the nature of the investigations to such an extent that it was made impossible, by reason of the restriction, to grant any relief.

Mr. JOHNSTON of South Carolina. Does not the Senator reach the conclusion, especially because this administration is a Republican administration, that if the next administration should be a Republican administration, it will be necessary to get relief from Congress?

Mr. ERVIN. I have no doubt about that. I despair of getting relief otherwise.

Mr. JOHNSTON of South Carolina. That being so, is it not correct to say that the textile industry may not be strong enough within itself to secure the necessary legislation?

Mr. ERVIN. That is correct.

Mr. JOHNSTON of South Carolina. It may then be necessary to have the coal, steel, and other industries, which are now beginning to get hurt, join with us, so that all of us can put our shoulders to the wheel.

Mr. ERVIN. I believe that is correct.

Mr. JOHNSTON of South Carolina. It will take all of the industries together to correct a situation which so badly needs to be remedied at this time.

Mr. ERVIN. The Senator from South Carolina is correct. I thank him for his participation in the discussion and commend him for the fight which he has waged at all times to protect basic American industries and those who work in them.

Mr. JOHNSTON of South Carolina. I favor protecting this industry and many others, as well, whether they be plywood, steel, automobiles, or others. They will all begin to suffer in the near future. They are not hurting too much as present, but it will not be long until they will be in the same position the textile industry is in.

JOSEPHINE LUE FAN (ALSO KNOWN AS JOSEPHINE FOOK-LAU, JOSEPH LUE FAN (ALSO KNOWN AS JOSEPH LEW-FAN), AND AURA JOAN LUE FAN

The PRESIDING OFFICER (Mr. Moss in the chair) laid before the Senate the amendments of the House of Representatives to the bill (S. 2585) for the relief of Josephine Lue Fan (also known as Josephine Fook-Lau), Joseph Lue Fan (also known as Joseph Lew-Fan), and Aura Joan Lue Fan, which were, to strike out all after the enacting clause and insert:

That, for the purposes of sections 101(a) (27) (A) and 205 of the Immigration and Nationality Act, Joseph Lue Fan and Aura Joan Lue Fan, shall be held and considered to be the minor alien children of King Lue Fan, a citizen of the United States.

And to amend the title so as to read: "An Act for the relief of Joseph Lue Fan and Aura Joan Lue Fan."

Mr. JOHNSON of Texas. Mr. President, on June 18, 1960, the Senate passed S. 2585, to grant the status of permanent residence in the United States to two beneficiaries who are the son and daughter of a U.S. citizen. They are natives of an adjacent island and were unable to adjust their status while minors by departing from the United States because of financial limitations.

On June 30, 1960, the House of Representatives passed S. 2585, with amendments, to preserve nonquota status in behalf of the beneficiaries. Under the amendments, the beneficiaries will have to depart from the United States and reenter for permanent residence.

This measure has been cleared, and I move that the Senate concur in the House amendments to S. 2585.

The PRESIDING OFFICER. The question is on agreeing to the motion of the Senator from Texas.

The motion was agreed to.

EXECUTIVE SESSION

Mr. JOHNSON of Texas. Mr. President, I have received a number of requests from Senators with respect to the Executive Calendar. I have not yet been able to clear all of the items on the Executive Calendar. I hope to be able to clear everything which it is possible to clear before the recess.

However, no opposition has been expressed to the nominations of postmasters, and a number of Senators are interested in them.

Mr. President, I move that the Senate proceed to the consideration of executive business, for the confirmation of the nominations of postmasters.

The PRESIDING OFFICER. The question is on agreeing to the motion of the Senator from Texas.

THE ANTARCTIC TREATY

Mr. FULBRIGHT. Mr. President, may I inquire of the majority leader what he proposes to do about the consideration of the Antarctic Treaty?

Mr. JOHNSON of Texas. I had hoped that it would be possible to proceed to its consideration before the recess. However, the Senator from Arkansas is aware of the problem which confronts us. I wonder if the Senator has any recommendation to make in connection with the Antarctic Treaty.

Mr. FULBRIGHT. As the Senator from Texas knows, I have tried to have the treaty taken up ever since it was reported by the committee. However, from the discussion which took place earlier with the Senator from Georgia [Mr. RUSSELL] and the Senator from Alaska [Mr. GRUENING], and some other Senators, I believe, it is now apparent that considerable time will be required to present their discussion of the treaty.

I think at this late date in the present session it will be impossible to allow enough time to fully discuss the treaty.

I wonder whether the majority leader would be disposed to have at least what we might call an informal agreement that early after we reassemble, the treaty may be scheduled for debate, in order

to allow adequate time to the proponents and to the opponents to discuss it.

Mr. JOHNSON of Texas. The majority leader is always disposed to go along with the recommendations of the Chairman of the Foreign Relations Committee. If that is the chairman's wish, I shall be glad to assure him that after we assemble on August 8, we can proceed immediately to the consideration of the treaty; and if they wish it, all Senators can be on notice that that will be done; and we can order the yeas and nays on it, and can assure that that will be done early in the session.

Mr. FULBRIGHT. I would be glad to have that understood.

I think the treaty should have been acted on by now. But, for various reasons, that has not been possible; and I do not think it wise to take up the treaty this late in the session. I would have preferred to have had it taken up in the early part of the week. But at this time, and under the circumstances, I think the plan we now have will be best.

Mr. RUSSELL. Mr. President, I shall have no objection to taking up the treaty. I shall certainly demand that a ye-and-may vote be taken on the treaty.

Mr. FULBRIGHT. Oh, yes.

Mr. RUSSELL. But I hope no limitation on debate will be imposed in connection with the treaty, until at least I have an opportunity to present my views. I realize they may not appeal to others; but I have very decided views on the subject, and I wish to have an opportunity to present them. I do not mean to suggest that there will be a filibuster; but I wish to fully discuss the treaty, because I regard it as of great importance, and a very unfortunate step.

Mr. JOHNSON of Texas. The Senator from Georgia may be sure that I will remember his request and will protect his interest.

Mr. THURMOND. Mr. President, will the Senator from Texas yield to me?

Mr. JOHNSON of Texas. I yield.

Mr. THURMOND. I wish to state that I, too, am opposed to the Antarctic Treaty; and if there is to be a time limitation in connection with our consideration of the treaty, I request the majority leader to arrange matters so that I can speak at some length.

Mr. JOHNSON of Texas. I shall be glad to do so.

Mr. CASE of South Dakota. Mr. President, if arrangements are being made in regard to the treaty—

Mr. JOHNSON of Texas. None is contemplated at the moment. Various Senators wish to have the RECORD show that they desire to be notified before the Senate proceeds to vote on the treaty.

Mr. CASE of South Dakota. Mr. President, I make the same request.

SELF-EMPLOYED INDIVIDUALS TAX RETIREMENT ACT OF 1960

Mr. SMATHERS. Mr. President—

Mr. JOHNSON of Texas. I yield.

Mr. SMATHERS. While we are talking about the calendar, beginning with the start of the bobtailed session commencing August 8—

Mr. RUSSELL. What does the Senator mean by saying it will be bobtailed?

Mr. SMATHERS. Well, I say to the Senator from Georgia that I hope it will be bobtailed.

So I wonder whether the majority leader can give us an indication in regard to the handling of House bill 10. It has been before us for 3 days now; but, actually, it has been impossible to have any coherent debate of it, because of the necessity of acting on the conference reports before the adjournment.

I thank the majority leader for having brought up the bill in the first instance; and I hope he will be willing to announce that it can be considered when we return in August, because it is obvious that we cannot dispose of it today.

A number of amendments—approximately 20, I believe—are now at the desk; and I think there is no possibility of our concluding our action on the bill today.

I wonder whether the majority leader would be willing to have us proceed with the bill in August.

Mr. JOHNSON of Texas. Mr. President, I accept the Senator's suggestion.

THE U-2 PLANE FLIGHTS—LETTERS BY THE SECRETARY OF STATE AND SENATOR FULBRIGHT

Mr. FULBRIGHT. Mr. President, I ask unanimous consent to have printed at this point in the RECORD a letter from the Secretary of State and my reply thereto.

There being no objection, the letters were ordered to be printed in the RECORD, as follows:

JULY 1, 1960.

Hon. J. W. FULBRIGHT,
Chairman, Committee on Foreign Relations,
U.S. Senate.

DEAR MR. CHAIRMAN: During my testimony before your committee on May 27, a number of questions were asked about a decision not to suspend the U-2 flights because the summit conference was pending. On reading the transcript, it seems to me the testimony has left that point unclear. Accordingly, I should like to take this opportunity to clarify it, and would appreciate it if this letter could be made a part of your hearing record.

There was a decision not to suspend the flights. The President so stated in his May 25 radio-television talk, when he said "the question was really whether to halt the program and thus forgo the gathering of important information that was essential and that was likely to be unavailable at a later date. The decision was that the program should not be halted." While I did not participate in that decision, the President was nevertheless fully aware of my views and I thoroughly agree—as I indicated in my testimony—that the decision was a wise one.

This will clear up any uncertainty on this point which your hearing record may reflect.

Most sincerely,

CHRISTIAN A. HERTER.

JULY 2, 1960.

Hon. CHRISTIAN A. HERTER,
Secretary of State,
Washington, D.C.

DEAR MR. SECRETARY: Thank you for your letter of July 1 directed toward clarifying the committee's record regarding whether there was an affirmative decision not to suspend U-2 overflights in light of the approaching

summit conference. Unfortunately, it will not be possible to include your letter in the hearing record, because that record has already been published. Your letter will, of course, become a part of the permanent records of the Foreign Relations Committee, and I shall also have it printed in the CONGRESSIONAL RECORD, along with this reply.

With all due respect, I do not think your letter clarifies the point very much. It states that "there was a decision not to suspend the flights" and quotes the President's speech of May 25 to the same effect. The President's speech was, of course, before the committee at the time of the hearings, and you quoted it then.

At that time, you also agreed that no specific decision not to suspend the flights was taken (p. 58). I infer from your letter that such a decision was in fact taken, that you did not participate in it, but that you agreed with it. Your letter also supports the inference, though less clearly, that the decision was taken by the President. But we are still left in the dark as to when it was taken and as to who, if anyone besides the President, participated in it. I am somewhat disturbed by the thought that such a decision would be taken without the participation of the Secretary of State.

Most importantly, the record is still unclear as to whether the decision applied to the program of flights, as an intelligence device to be continued over an indefinite period of time, or whether it applied to specific flights included within the overall program.

A related point has to do with the question of whether or not the flights were ever suspended for other than technical reasons. Because I intend to make this correspondence public, I am inhibited from citing here all the relevant statements in the classified record. If you will review this classified record, however, I think you will agree with me that it is, as the committee report says (p. 7), "at best highly ambiguous."

If earlier flights had, in fact, been suspended for other than technical reasons, the question arises as to why the summit conference was regarded as less important than prior events which were the basis for suspension.

I would welcome your further clarification of these matters.

Very truly yours,

J. W. FULBRIGHT,
Chairman.

ADJUSTMENTS IN SUGAR QUOTAS

Mr. JOHNSON of Texas. Mr. President, I move that the Senate proceed to the consideration of Calendar 1901, Senate Joint Resolution 217.

The PRESIDING OFFICER. The joint resolution will be stated by title for the information of the Senate.

The LEGISLATIVE CLERK. A joint resolution—Senate Joint Resolution 217—to authorize the President to make certain adjustments in the sugar quotas for foreign countries.

The PRESIDING OFFICER. The question is on agreeing to the motion of the Senator from Texas.

The motion was agreed to; and the Senate proceeded to consider the joint resolution.

Mr. JOHNSON of Texas. Mr. President, I should like to explain the reason for the motion I have made. Senate Joint Resolution 217 authorizes the President to make certain adjustments in the sugar quotas for foreign countries.

We have at the desk a House bill in connection with extension of the Sugar

Act for 1 year. I discussed with many Members of the Senate the desirability of taking up that bill. I had those discussions yesterday, the day before, and today. I have been unable to find any substantial sentiment among Senators in favor of having the Senate take any action on the House bill. I have been assured by dozens of Senators that they would vehemently oppose the House bill.

Therefore, in view of the apparent decision of a substantial number of Senators to oppose the taking of any action by the Senate on the House bill, I am in accord with the wish of the chairman of the committee [Mr. BYRD of Virginia] and various Senators associated with him—including the Senator from Florida [Mr. SMATHERS] and other Senators who are very knowledgeable in this field—to have the Senate consider the Senate joint resolution, and to let the majority of the Senate work its will. For that reason, I have moved that the Senate proceed to consider Senate Joint Resolution 217; and I hope an early vote will be taken on the joint resolution.

EXECUTIVE SESSION

Mr. JOHNSON of Texas. Mr. President, I now move that the Senate proceed to the consideration of executive business, to consider the nominations on the Executive Calendar, beginning with the postmaster nominations, and with the understanding that later in the day I will clear all other nominations I can clear; and, if not, I will state the reasons why.

The motion was agreed to; and the Senate proceeded to the consideration of executive business.

EXECUTIVE REPORTS OF A COMMITTEE

The following favorable reports of nominations were submitted:

By Mr. JOHNSON of South Carolina, from the Committee on Post Office and Civil Service:

Seventy-seven postmaster nominations.

The PRESIDING OFFICER (Mr. Moss in the chair). If there be no further reports of committees, the nominations on the calendar, beginning with the postmaster nominations, will be stated.

POSTMASTERS

The Chief Clerk proceeded to state sundry nominations of postmasters.

Mr. JOHNSON of Texas. Mr. President, I ask unanimous consent that the postmaster nominations be considered en bloc.

The PRESIDING OFFICER. Without objection, the postmaster nominations will be considered en bloc; and, without objection, they are confirmed.

POSTMASTER NOMINATIONS FILED AS OF JULY 2

The Chief Clerk proceeded to read sundry nominations of postmasters filed as of July 2.

Mr. JOHNSON of Texas. Mr. President, I ask unanimous consent that these nominations be considered en bloc.

The PRESIDING OFFICER. Without objection, the nominations will be considered en bloc; and, without objection, they are confirmed.

THE AIR FORCE

The Chief Clerk proceeded to read sundry nominations in the Air Force.

Mr. JOHNSON of Texas. Mr. President, I ask that these nominations be considered en bloc.

The PRESIDING OFFICER. Without objection, they will be considered en bloc; and, without objection, they are confirmed.

THE ARMY

The Chief Clerk proceeded to read sundry nominations in the Army.

Mr. JOHNSON of Texas. Mr. President, I ask unanimous consent that these nominations be considered en bloc.

The PRESIDING OFFICER. Without objection, they will be considered en bloc; and, without objection, they are confirmed.

U.S. MARSHAL—NOMINATION PASSED OVER

The Chief Clerk read the nomination of Ralph W. Gray, of Massachusetts, to be U.S. marshal for the district of Massachusetts for a term of 4 years.

Mr. JOHNSON of Texas. Mr. President, I ask that this nomination go over.

The PRESIDING OFFICER. The nomination will be passed over. That concludes the calendar.

Mr. JOHNSON of Texas. Mr. President, I ask unanimous consent that the President be immediately notified of the confirmation of these nominations.

The PRESIDING OFFICER. Without objection, the President will be notified forthwith.

LEGISLATIVE SESSION

Mr. JOHNSON of Texas. Mr. President, I move that the Senate resume the consideration of legislative business.

The motion was agreed to; and the Senate resumed the consideration of legislative business.

ADJUSTMENTS IN SUGAR QUOTAS

The Senate resumed the consideration of the joint resolution—Senate Joint Resolution 217—to authorize the President to make certain adjustments in the sugar quotas for foreign countries.

Mr. JOHNSON of Texas. Mr. President, I wonder whether we can obtain a unanimous-consent agreement in regard to a time limitation to apply to the consideration of this joint resolution. I wonder whether it will be agreeable to the Senator from Virginia that we have not to exceed 1 hour for the consideration of the joint resolution, with that time to be equally divided between the proponents and the opponents of the resolution. If all that time is not used,

we can yield back some of it. Will that be agreeable?

Mr. BYRD of Virginia. Yes.

Mr. DIRKSEN. That will be agreeable.

The PRESIDING OFFICER. Let the Chair state that a number of Senators have left their names on an informal list at the desk, and have indicated that they wish to speak on this subject.

Mr. ANDERSON. Mr. President, would the Senator from Texas be willing to have a quorum call, so that we may give the Senators who are interested an opportunity to be present?

Mr. JOHNSON of Texas. Certainly. Of course, this is a measure on which the House must act. The situation regarding Cuba is very important, and I think the House will wish to act on it, and we should give the House an opportunity to do so.

Mr. JAVITS. Mr. President, will the Senator from Texas yield?

Mr. JOHNSON of Texas. I yield.

Mr. JAVITS. The Senator did not refer to the time available for the consideration of amendments. Does the Senator wish to exclude any allowance of time for the consideration of amendments?

Mr. JOHNSON of Texas. No. If Senators wish to offer amendments, subject to the time limitation, that will be agreeable. Does the Senator from New York have an amendment?

Mr. JAVITS. No; but it is unusual not to include an allowance of time for the consideration of amendments, along with a time allowance for debate on the measure itself.

Mr. JOHNSON of Texas. Very well, Mr. President; I am glad to ask that the unanimous-consent agreement be amended to the extent of allowing 15 minutes to each side for the consideration of each amendment.

The PRESIDING OFFICER. Is there objection? Without objection, it is so ordered.

Mr. JAVITS. I thank the Senator from Texas.

Mr. ANDERSON. Mr. President, will the Senator from Texas yield?

Mr. JOHNSON of Texas. I yield.

Mr. ANDERSON. This problem might arise: The joint resolution might be passed, and some Member might use it as a vehicle for the passage of the House bill. I wonder whether we may obtain a commitment that the conferees would not use this joint resolution as a vehicle for finally passing the House bill—which, under those circumstances, could be handled without much debate.

There were only two votes against this resolution inside the committee, and those who object will be present here.

Mr. JOHNSON of Texas. I cannot commit the conferees, but from the opinions they have expressed now, and the desirability of the resolution, and their views on the House bill, I do not think we need entertain much doubt about their preference.

Mr. ANDERSON. I am not so sure. There are some who would be conferees who would like to see the House bill

adopted. There are some who would not.

Mr. JOHNSON of Texas. I would think the majority would not.

The PRESIDING OFFICER. Is there objection?

Mr. LAUSCHE. Mr. President, what is the question?

The PRESIDING OFFICER. The unanimous-consent request of the majority leader is that debate on the resolution be limited to 1 hour.

Mr. LAUSCHE. When does the time begin—now?

The PRESIDING OFFICER. Immediately, if the request is granted.

Mr. LAUSCHE. I object.

The PRESIDING OFFICER. Objection is heard.

Mr. MANSFIELD. Mr. President, how much time does the Senator from Ohio want to speak?

Mr. LAUSCHE. It may be 45 minutes.

Mr. JOHNSON of Texas. Mr. President, I make the request that when the Senator from Ohio has concluded his address, the limitation go into effect, so Senators may know we will take up the measure. It is very important, and I can think of nothing more important.

Mr. LAUSCHE. Mr. President, I did not hear what the Senator from Texas said.

Mr. JOHNSON of Texas. That at the conclusion of the address of the Senator from Ohio, the time limitation on the Byrd resolution go into effect.

Mr. ANDERSON. The Senator from New York has suggested the possibility of an amendment.

Mr. JOHNSON of Texas. I modified the request to include that.

Mr. ANDERSON. When the Senator from Texas stated it a moment ago, he did not include that.

Mr. JOHNSON of Texas. I modified my request.

The PRESIDING OFFICER. Is there objection to the unanimous-consent request? The Chair hears none, and the agreement is entered.

Mr. JOHNSON of Texas. Mr. President, at the conclusion of the address of the Senator from Ohio, we will proceed to the transaction of the sugar measure, when the time limitation goes into effect.

Mr. HARTKE. Mr. President—

The PRESIDING OFFICER. Does the Senator from Ohio yield to the Senator from Indiana?

Mr. CASE of South Dakota. Mr. President, will the Senator yield so I may make a unanimous-consent request?

Mr. HARTKE. Mr. President, I should like to defer my time until after action on the resolution.

Mr. CASE of South Dakota. Mr. President, I ask unanimous consent that the Senator from Ohio may yield to me for the purpose of making a unanimous-consent request, without his losing the floor.

The PRESIDING OFFICER. Is there objection? The Chair hears none, and it is so ordered.

THE DREAM OF CRAZY HORSE

Mr. CASE of South Dakota. Mr. President, I was greatly interested in

reading the account, in the March 31 issue of the Shannon County (S.D.) News, of a visit between Jake Herman and the late Chief Henry Standing Bear in 1939.

I well recall the visits "back east" of the chief in the late thirties and early forties in the interest of a memorial or shrine to the American Indian, the first American.

I had the honor of working with him to realize at least a part of his dream. Chief Standing Bear did live to see the Crazy Horse Memorial started by Sculptor Korczak Ziolkowski. While progress has been slow in carving the Crazy Horse Memorial in Thunder Head Mountain in the Black Hills of South Dakota, it has been steady.

I am hopeful that someday in the future the inspiration of Chief Standing Bear will be realized and that in some way he will be honored for the leadership he provided in the early days of the Crazy Horse Memorial.

Mr. Herman's visit with Chief Standing Bear will become a part of the history of the Crazy Horse Memorial. In my own files are many letters from Standing Bear which confirm his part in the inception of the project, as well as letters to and from Ziolkowski on the early stages of the development.

I ask unanimous consent that his article be printed in the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

CHIEF STANDING BEAR AND KORCZAK ZIOLKOWSKI

(By Jake Herman)

Shortly after 1939 I came to Pine Ridge Agency and checked in at the Gerber Hotel. I was assigned to a cot down in the basement of the hotel, and Henry Standing Bear was an occupant of the room. As I approached, I could hear Henry softly singing the Chief song.

Said Henry: "I am glad you came. I just got back from the State of Connecticut. I can't sleep as I am too tired, so if you don't mind we will talk.

"Some time ago," Henry continued, "I went to the Re Sapa (Black Hills) and there I saw the faces of our four past great Presidents of the United States carved by the famous sculptor, Gutzon Borglum on the side of the Rushmore Mountain. As I stood there contemplating this great work of art, I thought to myself, why not interest some great sculptor to carve a lasting memorial to Chief Crazy Horse? After all, Crazy Horse died defending the sacred hunting grounds, of the Sioux and the Black Hills.

"So I went back east to a place where I saw a stone and marble bust, the work of a great sculptor, Korczak Ziolkowski. I got his address and wrote him a letter in 1939. He came out here to see me and he invited me to come to his home back East. So I went to Connecticut, in New England, and was the guest of Ziolkowski. He has a fine home and a wonderful wife. They belong to one of New England's first families.

"In New England I appeared before clubs and people, lecturing on the life of the war chief, Crazy Horse. I told them of my hopes and dreams. I told them that if we Sioux Indians could get someone to carve the profile of Crazy Horse on some mountain in the Black Hills, the white people would know that the red man had great heroes, too. I told them that our people did not have the money to have this work done and we did not know where we could get it. But

I told them that once the Black Hills were our sacred hunting grounds. Our great Sioux Indian leaders and warriors had given up their lives defending these hunting grounds and I told these people in New England that I thought it was only fit and proper that we should carve a memorial to our great leader, the war chief, Crazy Horse, whose Indian name was Ta Sunka Witko." (Pronunciation: Tah SHOONGka Weetkoh.

Then Henry Standing Bear stopped talking for a while and we sat there rolling and smoking our Bull Durham cigarettes. This is what Henry Standing Bear told me shortly after 1939 before Korczak Ziolkowski had ever come out to the Black Hills or before the Crazy Horse memorial was ever started on the Thunderhead Mountain near Custer, S. Dak.

Henry was born in 1866 and he was only 11 years old when Crazy Horse was killed at Fort Robinson, Neb. Henry, as a little boy, knew Crazy Horse and he was present when Crazy Horse died by the cold, hard steel—stabbed in the back by a soldier.

I can remember the night Henry told me of his hopes and dreams. Yes, and I can also remember how people became skeptical and how he was criticized and laughed at. In later years only Korczak Ziolkowski had the answer of the hopes and dreams of Henry Standing Bear, which hopes and dreams Henry made known in a letter that fired the imagination of Ziolkowski.

Korczak Ziolkowski is a Boston-born orphan of Polish descent, who although he had never had an art lesson in his life, quickly made himself rich and famous. In 1947, after he had served his country in war, he sold his Connecticut property and came to the Re Sapa, bought a ranch, and built a studio home. After the big blizzard of 1949 he constructed a 700-foot wooden stair case up the side of Thunderhead Mountain and today he is blasting and drilling away at the profile of Crazy Horse.

Up to date they tell me that Ziolkowski has spent \$180,000 of his own money and hopes to complete his project within 20 years. Crazy Horse Memorial will measure 563 feet when completed, the largest sculpture of its kind in the world.

Some people in the Black Hills were skeptical when Ziolkowski first started his project and they called him a cheap imitator of Borglum. A high official gave Ziolkowski an upbraiding and accused him of trying to deface his mountains.

This writer was in Washington, D.C., when Ziolkowski appeared before Congress to get Federal aid or State aid and as far as I know Ziolkowski never did get Federal or State aid for this project, the only money being what the tourists left there—and this money was never used by him for personal expenses.

However, times have changed now regarding the attitude of the people in the Hills toward this project. There is no denying what the Ta Sunka Witko Memorial has done for the tourist trade in the southern Re Sapa.

This is a story of two men, one with his hopes and dreams and the other with a determination to carry out those hopes and dreams to their ultimate conclusion.

Henry Standing Bear, who died in 1953 (about 4 years after Ziolkowski had started on his project) was the son of a warrior who knew Crazy Horse, in fact had hunted and fought alongside his chief and it was from such men as Henry Standing Bear that I was able to get the story of Crazy Horse's life as told to them by their fathers.

Henry Standing Bear was 86 years old when he passed away. I visited Henry 4 days before he died. We shook hands and as I was leaving, Henry was brave and smiling, although he took it for granted that he was leaving this world.

Korczak Ziolkowski (pronunciation: Korzhahk Zillcuffski) was raised an orphan and

ing Poland, induce the Polish people of Warsaw to heroically rebel against the Nazi occupiers and then abandon them to slaughter by the Nazis?

In various wartime agreements, the allied nations pledged themselves to conduct the war against the enemy unrelentingly, and to cooperate after the war in plans for recovery. The U.S.S.R., however, had its own plans for postwar Communist expansion in Eastern Europe, as evidenced by subsequent developments there. This political motive was an important factor influencing Soviet military inaction during the Warsaw uprising.

Question 9. Why did the Soviet break its pledged word that the people of the satellite nations, under free and open elections, would be permitted to choose the type of government they wanted?

Soviet refusal to grant self-determination to the peoples of the satellite nations of Eastern Europe stems from the Soviet campaign during and after World War II to gain and maintain Communist control over these nations. The United States does not regard Soviet domination over the nations of Eastern Europe as an acceptable permanent condition of affairs. Regimes in these countries have been forcibly imposed and maintained, as in the case of Hungary, by repeated Soviet political and military intervention. The peoples of these countries are denied basic freedoms and real national independence.

Satisfactory solution of the Eastern European problem must be based, in keeping with the solemn pledges by the United States, Soviet, and other Allied Governments during and after World War II, upon the right of the Eastern European peoples freely (a) to choose the governments and institutions under which they will live and (b) to enjoy full national independence free from all foreign interference in their internal affairs.

Question 10. Why did the Soviet aid and induce the Red Chinese to use their military power against South Korea, resulting in death and injury to thousands of American boys?

The Soviet Union supported Communist China in the Korean war in order to secure the Soviet satellite government of North Korea for the Communist bloc and, if possible, to expand Communist power to South Korea and in Asia without instigating a world war which would have resulted from the Soviet Union's cobelligerency with North Korea.

Question 11. Why did the Soviet encourage the Red Chinese in the bombardment and killing of innocent people at the Quemoy and Matsu Islands?

The Soviet Union has consistently supported the claims of Communist China to Quemoy and Matsu. During the offshore islands crisis, in mid-1954, however, the Soviet leaders spoke of "popular" but not Soviet "government" support of the Chinese Communists, "liberation aspirations" toward the offshore islands. At that time they did not threaten to evoke the 1950 Sino-Soviet Treaty of Friendship, Alliance, and Mutual Assistance. In the 1958 offshore island crisis Khrushchev did issue the warning that "an attack on the People's Republic of China, which is a great friend, ally, and neighbor of our country, is an attack on the Soviet Union," and that if Communist China fell victim to an atomic attack the aggressor would get a rebuttal by the same means. The Chinese Communists, who have consistently followed aggressive policies, probably needed no encouragement to initiate the bombardment of Quemoy, but it is likely that, prior to the 1958 attack, the Red Chinese received some expression of support from the Soviet Union.

Question 12. What is the explanation for the mass and merciless murder of the freedom fighters of Hungary, Poland, and East

Germany, who were fighting for liberation in those respective countries?

The Communist regime in Hungary was forcibly imposed by the Soviet Union upon the Hungarian people at the end of World War II. Since that time, the Hungarian regime has been and remains, in all essential matters, Soviet dominated. Because of its origin and nature, it is dependent in the final analysis upon Soviet power for its continued ability to exist and to rule. The Hungarian uprising was so general and sweeping that it unseated this Soviet-dominated regime, attracted large numbers of the Hungarian armed forces to either active or passive support of the revolutionary movement, and placed temporary control of the country in the hands of the freedom fighters and of a new coalition government headed by Imre Nagy, which supported the aims of the revolution. Confronted by these internal developments which clearly pointed to the realization by the Hungarian people of their aspiration to live in freedom and independence, and fearing the disintegrative effect which a successful Hungarian revolt would have on the Soviet bloc structure, the Soviet Union intervened ruthlessly with massive armed force to crush the revolt and reimpose a Soviet-dominated regime upon the Hungarian people. Following the Soviet intervention, the new Hungarian regime, supported by the continued presence of Soviet troops within Hungary, undertook a campaign of systematic and harsh reprisals against the leaders and participants in the revolt aimed at the suppression of all remaining overt dissent and opposition, the reestablishment and consolidation of its power and authority, and the discouragement of any future attempts at rebellion.

In East Germany in 1953, and in Poland in 1956, unrest occurred as a result of popular dissatisfaction with the situation in those countries. In contrast to the 1956 events in Hungary, however, these disturbances were short-lived and resulted in relatively little bloodshed.

Mr. LAUSCHE. Mr. President, I have in my hand a newspaper which carries a report of the election mentioned by the Senator from Vermont [Mr. AIKEN] yesterday. The issue before the Japanese people in the province was the treaty with the United States. The results show that the person subscribing to the treaty, the person standing by Mr. Kishi, was elected by a vote of 265,000 to 186,000.

Mr. AIKEN. Mr. President, will the Senator yield?

Mr. LAUSCHE. I yield.

Mr. AIKEN. Did the Senator notice also that the majority for the Kishi party in this election was several thousand larger than it was in the last election, preceding the formulating of the Japanese-American treaty?

Mr. LAUSCHE. I did not know that.

Mr. AIKEN. That is a fact. There was a 5,000 or 6,000 larger majority in the latest election than in the previous election which was held before the treaty became effective.

Mr. LAUSCHE. I thank the Senator.

Mr. President, I now yield to the Senator from Connecticut [Mr. DODD].

Mr. DODD. Mr. President, I rise to express my gratitude to our colleague, the distinguished Senator from Ohio, for what he has said today.

I have listened to the discussions we have had on this subject. I have read the report. I think the Senator from Ohio, along with other Senators, has

helped us to better understand the controversy which has been raging since the U-2 flight and since Khrushchev topped the Paris conference. I thank the Senator for what he has said. I find myself in great agreement, as I usually do, with the Senator from Ohio.

It should be said on my part—although I doubt it really needs to be repeated—that I have had my grave misgivings about the conduct of our foreign policy, certainly since the death of John Foster Dulles. I think history will show that his tragic passing marked a sharp turning point in our fortunes in international affairs. When we lost his great influence and the great genius which he possessed, we lost something which I think we shall have to search far to replace.

However, the present dispute about the U-2 flight and the failure at Paris are something else and the cynical efforts of some to have it appear that this is anything else than a logical consequence of a foolish policy which they encouraged and approved is more than I can abide in silence. And the Senator from Ohio has helped greatly to unmask this cynicism. For I think it is most important that our own people should not be misled. I think our friends elsewhere in the world should not be misled by the controversy. It should not be made to appear that we are guilty of some crime, of some great wrong, of some tragic mistake which brought down a structure which had been erected for the purpose of establishing peace and preserving peace or for ending tensions. For this is not the fact.

Mr. LAUSCHE. Mr. President, may we have order in the Chamber?

The PRESIDING OFFICER. The visitors in the galleries are reminded that they are guests of the Senate. Please be as quiet as possible in entering and departing from the Chamber. Senators will refrain from audible conversation.

The Senator from Ohio may proceed.

Mr. LAUSCHE. Mr. President, I yield further to the Senator from Connecticut.

Mr. DODD. So I say I think it is tragically ironic that so many who urged the President to continue his efforts to find peace—which I know were genuine but fruitless and confused—those who encouraged him, and who said, "Yes, sir, this is right; me, too," and "more," were the first to turn on him and to condemn him and, in my judgment, to falsely charge him with responsibility for wrecking the Paris meeting. The tragedy of it all is that it should occur in the closing days, weeks, and months of his administration.

I repeat, I have had my sharp differences of opinion concerning the way our foreign affairs have been conducted. I have tried to express them as best I could. But I think it is a shame, a pity, and an injustice that the President should be charged with any responsibility at all for this failure, because it does not lie on his shoulders. It lies squarely on the shoulders of Khrushchev and his associates in the Communist bloc, not on the shoulders of President Eisenhower.

I thank the Senator from Ohio for helping us to better understand the situation. In my opinion he is one of the clear thinkers and great leaders of our time.

Mr. LAUSCHE. I thank the Senator from Connecticut very much.

Mr. CARLSON. Mr. President, will the Senator yield?

Mr. LAUSCHE. I yield.

Mr. CARLSON. I wish to associate myself with the remarks made by other Members of the Senate this afternoon in behalf of the statement made by our colleague from Ohio. He spoke accurately of his background. I know, Mr. President, because I had the privilege of serving as the Governor of the State of Kansas while the Senator from Ohio was the Governor of Ohio. We were closely associated together for several years in that particular field. It was my privilege in 1949 to serve as chairman of the Governor's Conference. When I left that fine assignment it was taken over by the distinguished Senator from Ohio, who at that time was the Governor of his State.

I know of the Senator's character and ability, and his firm conviction and belief in the strength and soundness of our Government, our Nation and its economy. It is a pleasure to serve with the Senator on the Committee on Foreign Relations. He has rendered an outstanding service to the country today in laying before us this splendid statement on our country, its background and the need for intelligence.

This has been the issue. It was my privilege to go through the hearings. I saw the pictures. I heard the testimony of the witnesses. The question is a question of the necessity of intelligence. Mr. President, had we not had the U-2 flights—despite some criticism, perhaps, in regard to the timing of them—we would have been negligent by not trying to secure any information we could for the security and the defense of this Nation.

I thank the Senator from Ohio for his statement.

Mr. LAUSCHE. Mr. President—

The PRESIDING OFFICER (Mr. Dobb in the chair). The Senator from Ohio has the floor.

Mr. LAUSCHE. Mr. President, mention has been made of the years 1949 and 1950. When Mr. Acheson, who was Secretary of State at the time, was being attacked in those years, I thought there was, frequently, political motivation behind the attacks, and as a citizen of the country I did not like them.

What I have said about the U-2 incident I will say about a successor, whoever it may be, based upon my purpose of serving the Nation. The position of Secretary of State is much like the position of a safety director in a metropolitan city. The task is practically insoluble. Sufficient grounds can be found for legitimate criticism, but when there is added to the legitimate criticism the criticism based upon political motivations, the critic is not serving his country.

I think all of us should give heed to the admonition, "Strive with all your might

to keep political motivations out of judgments which you form, especially if they are likely to have, when expressed, a prejudicial effect upon the character and the reputation of your country in the minds of the citizens of the world."

POSTHUMOUS AWARD OF MEDALS TO CERTAIN CHAPLAINS

The PRESIDING OFFICER laid before the Senate the amendment of the House of Representatives to the bill (S. 2969) to authorize the award posthumously of appropriate medals to Chaplain George L. Fox, Chaplain Alexander D. Goode, Chaplain Clark V. Poling, and Chaplain John P. Washington, which was, on page 1, line 5, strike out "Cambridge" and insert "Gilman."

Mr. SYMINGTON. Mr. President, this bill relates to the posthumous award of appropriate medals to the celebrated four chaplains of World War II. The House amendment corrects the address of Chaplain George L. Fox to show it as "Gilman," Vt., instead of "Cambridge," Vt. The Committee on Armed Services has recommended concurrence in the House amendment.

I move that the Senate concur in the amendment of the House of Representatives to S. 2969.

The motion was agreed to.

ADJUSTMENT IN SUGAR QUOTAS

The Senate resumed the consideration of the joint resolution (S.J. Res. 217) to authorize the President to make certain adjustments in the sugar quotas for foreign countries.

Mr. BENNETT. Mr. President, a parliamentary inquiry.

The PRESIDING OFFICER. The Senator will state it.

Mr. BENNETT. Have we now come to the point at which time will be under control?

The PRESIDING OFFICER. Yes. The Senator from Ohio [Mr. LAUSCHE] having concluded his address, the unanimous-consent agreement now becomes effective.

Mr. BENNETT. When the majority leader obtained the unanimous-consent agreement, he announced that before time control went into effect there would be a quorum call. So I suggest the absence of a quorum, and I ask unanimous consent that the time not come from either side.

The PRESIDING OFFICER. Is there objection? The Chair hears none.

Mr. BENNETT. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. JOHNSON of Texas. Mr. President, I ask that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. JOHNSON of Texas. Mr. President, as I understand, under the unanimous-consent agreement the Senate will proceed to the consideration of House Joint Resolution 217, the sugar joint res-

olution, and there will be an hour of debate—30 minutes to each side on the joint resolution and 15 minutes to each side on any amendments.

The PRESIDING OFFICER. The Senator is correct.

Mr. JOHNSON of Texas. Mr. President, I ask unanimous consent that prior to the inauguration of that unanimous-consent agreement, there be not to exceed 30 minutes for the consideration of the conference report on the Federal Highway Act of 1960.

The PRESIDING OFFICER. Is there objection? The Chair hears none, and it is so ordered.

FEDERAL HIGHWAY ACT OF 1960—CONFERENCE REPORT

Mr. McNAMARA. Mr. President, I submit a report of the committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H.R. 10495) to authorize appropriations for the fiscal years 1962 and 1963 for the construction of certain highways in accordance with title 23 of the United States Code, and for other purposes. I ask unanimous consent for the present consideration of the report.

The PRESIDING OFFICER. The report will be read for the information of the Senate.

The legislative clerk read the report. (For conference report, see House proceedings of July 1, 1960, pp. 14338-14339, CONGRESSIONAL RECORD.)

The PRESIDING OFFICER. Is there objection to the present consideration of the report?

There being no objection, the Senate proceeded to consider the report.

The PRESIDING OFFICER. The question is on agreeing to the conference report.

M. McNAMARA obtained the floor.

Mr. CARROLL. Mr. President, will the Senator yield?

Mr. McNAMARA. I yield.

Mr. CARROLL. I wish to thank the very able Senator from Michigan, for the work he has done on the Federal Highway Act of 1960. But especially, I wish to extend my appreciation to him for his efforts in behalf of the so-called "thousand-mile amendment."

This amendment struck from the 1956 highway act a proviso which excluded from interstate estimates and apportionments certain mileage in Colorado, South Dakota, and other States.

I wish through him to thank all the members of the committee, and through them I wish to express to the Members of the House our gratitude for this action. We were certain that eventually Colorado would be permitted to include its Denver to Utah road in the financing phase of the program. That was the reason I submitted the original "1,000 mile amendment" to the Public Roads Subcommittee.

Mr. McNAMARA. We received the request of the junior Senator from Colorado in committee, and we made it a part of the program. When the bill originated, the thinking was that obviously it would have to be done in the fu-

note the overwhelming degree of emphasis our conferring colleagues from the other body placed on the inviolability of the Interstate System and the sanctity with which they surround the contract control dollar juggling—and, I reiterate, the fiscal finagling—of the Bureau of the Budget and the Department of Commerce in their management of the Highway Trust Fund and the Federal-Aid Highway Act.

The degree to which the Secretary of Commerce sought to influence—and seems to have been successful in influencing—defeat of the amendment the Senate approved without a dissenting voice or vote to place more emphasis on Federal-aid primary and secondary highway systems in chronic labor surplus areas is apparent.

In this connection, I quote from the first two paragraphs of a June 27, 1960, press release from the Office of the Secretary, Department of Commerce:

Secretary of Commerce Frederick H. Mueller announced today his intention to apportion \$2.2 billion of Federal aid to the States for the fiscal year 1962 (which begins July 1, 1961) to continue the program for construction of the National System of Interstate and Defense Highways.

Apportionment of the full \$2.2 billion might be blocked by action in the Congress on the amendments proposed to the Federal-aid bill now under consideration. Among the amendments is one which would provide an additional \$100 million for fiscal year 1963 for special work on the Federal-aid primary and secondary highway systems and their urban extensions (the so-called ABC program), to be financed from the Highway Trust Fund. The effect of such an amendment would be to reduce the amount of money available for the Interstate System apportionment for fiscal year 1962.

There is the crux of the administration's position—don't change any emphasis from the Interstate system to the "backbone" system; don't give an extra mile of road or a dollar of special authorizations for helping to improve the roads into or through economically depressed areas; don't place increased emphasis on farm-to-market roads.

I regret that the representatives of the other body in the conference seem to have adopted the same general position. My colleagues of this body in the conference were generous in supporting a position more favorable to the proposed Senate emphasis on highway aid for chronic labor surplus areas and the so-called backbone system in general. But the stand taken by the House conferees was extremely adamant and unyielding and, as a consequence, the Senate position was impossible to maintain and still bring forth a report and a compromise Federal-aid highway construction bill.

Insofar as relates to the conference deletion of the \$100 million annual so-called D-fund addition from the bill as passed by the Senate, I officially noted in writing my exception when this report was signed. In this action, I was joined by the senior Senator from Kentucky [Mr. COOPER] and the junior Senator from Pennsylvania [Mr. SCOTT].

Mr. President, I am deeply disappointed that the legislation as reported by the conference provides no incentive to the States and no new financial help from the Federal Government for highway improvement in chronic labor surplus areas. Otherwise, it is a better bill than the administration recommended. Although I do not consider it an adequate measure, I will support its passage as the best legislation obtainable under existing circumstances.

Mr. ALLOTT. Mr. President, I rise primarily to express my appreciation to the distinguished Senator from Michigan [Mr. McNAMARA] for his work on the Committee on Public Works and also on the conference committee.

I also wish to pay my tribute and my thanks to the Senator from South Dakota [Mr. CASE], whose amendment, the other evening, cured one of the great defects of the bill and one of the inequities of our Federal system. Without his amendment, we would not have been able to obtain this measure; and I am fully cognizant of that fact. All of us who are involved are very appreciative.

Mr. President, I have listened to the remarks of the Senator from West Virginia. I know how hard it often is, in a conference committee, to decide on the best course to follow. Sometimes we have to take positions we do not wish to take. Yesterday afternoon, some of us had to do that in connection with another conference report. But if the right does not prevail at this time, I am sure it will prevail on another occasion; and we shall have other opportunities to proceed.

Mr. CASE of South Dakota. Mr. President, as one of the conferees, I urge approval of the conference report. While we were not able to obtain concurrence of the House conferees on all of the Senate amendments, they did concur in four important ones.

Two amendments agreed to were of special interest to Alaska. One increases the classes of public lands that can be counted in determining the ratio of Federal lands for matching Federal-aid funds. Its effect is to reduce the matching requirements for the so-called public lands States from which Alaska is the largest beneficiary. The other one makes ferry approaches eligible for the Federal-aid systems.

Two other amendments of substance were agreed to in the conference. One increases the authorization for the public lands by \$500,000 for 1 year. It is the amendment in which the Senator from Georgia was interested.

The other amendment was the one offered by me, on behalf of myself, the Senator from Colorado [Mr. ALLOTT], the Senator from Oregon [Mr. LUSK], and the Senator from West Virginia [Mr. RANDOLPH], when the bill was before the Senate. That amendment was for the purpose of removing the limitation which had existed with respect to including the costs of a portion of the Interstate Highway System in the formula for apportionment of funds among the States.

The Senator from South Dakota is glad to report that the House conferees

concurred in the amendment. It is a logical action at this time, because new cost estimates are due from all the States in January. The adoption of this amendment means that next year the apportionments can be made on the basis of completing the Interstate System uniformly throughout the several States by the target date finally agreed upon.

I appreciate the excellent cooperation on the part of the Senator from Michigan [Mr. McNAMARA]. He has been an ideal chairman, both in the Public Works Subcommittee on Roads and in the conference. It has been a pleasure to work with him and the other members of the conference.

Mr. McNAMARA. I thank the Senator from South Dakota.

Mr. President, I move that the conference report be agreed to.

The PRESIDING OFFICER. The question is on agreeing to the report.

The report was agreed to.

Mr. CASE of South Dakota. Mr. President, I move that the vote by which the report was agreed to be reconsidered.

Mr. McNAMARA. Mr. President, I move to lay on the table the motion to reconsider.

The PRESIDING OFFICER. The question is on agreeing to the motion to lay on the table the motion to reconsider.

The motion to lay on the table was agreed to.

ADJUSTMENT IN SUGAR QUOTAS

The Senate resumed the consideration of the joint resolution (S.J. Res. 217) to authorize the President to make certain adjustments in the sugar quotas for foreign countries.

Mr. MANSFIELD. Mr. President, I ask unanimous consent that at this time I may suggest the absence of a quorum, without having the time required for it charged to the time available to either side under the unanimous-consent agreement.

The PRESIDING OFFICER (Mr. WILLIAMS of New Jersey in the chair). Is there objection? Without objection, it is so ordered.

Mr. MANSFIELD. Then, Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. JOHNSON of Texas. Mr. President, I ask unanimous consent that further proceedings under the quorum call be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. JOHNSON of Texas. Mr. President, under the unanimous-consent agreement, the time limitation is in effect.

Will the Chair lay before the Senate the joint resolution?

The PRESIDING OFFICER. The Chair lays before the Senate, Senate Joint Resolution 217, which will be stated by title.

The LEGISLATIVE CLERK. A joint resolution (S.J. Res. 217), to authorize the President to make certain adjustments in the sugar quotas for foreign countries.

Mr. JOHNSON of Texas. Mr. President, I understand the Senator from Florida [Mr. SMATHERS], and the Senator from New Mexico [Mr. ANDERSON], the Senator from Utah [Mr. BENNETT], and the Senator from Virginia [Mr. BYRD] have an agreement to modify the joint resolution, and I should like to have the Senator from Florida briefly state what that agreement is.

Mr. SMATHERS. Mr. President, very briefly, the Senate did not get a bill with reference to changing the sugar quota until yesterday, so the Finance Committee has had very little opportunity to consider going into the merits or demerits of the House bill. However, it was agreed by all that the President should have the authority to deal with Cuba. If the President, in his wisdom, as the leader of our foreign policy, decides he wants to cut the sugar quota for Cuba, he should be able to do it. Nobody is in disagreement about that. So the Finance Committee came out with the joint resolution, with the names of the Senator from Utah [Mr. BENNETT], the Senator from Louisiana [Mr. ELLENDER and Mr. LONG], and almost everybody who is now present, in the group supporting it.

However, the Senator from New Mexico found certain objection in the resolution. We have been discussing them. It now appears that the most expeditious thing we can do is merely to give the President authority to cut the quota for Cuba if he decides to. Under the joint resolution, "the President shall determine the quota for Cuba under such Act for the balance of the calendar year 1960 in such amount or amounts as he shall find from time to time to be in the national interests"—period—with nothing after that. We had provided in the resolution that he could make up the quotas.

Mr. JOHNSON of Texas. Mr. President, is that change agreeable to the Senator from New Mexico?

Mr. ANDERSON. Yes. I would like to add a word of explanation. We shall be back in session in August. I hope when we are we will have an opportunity to pass permanent sugar legislation. In the meantime, I think the President is given ample authority to deal with Cuba. Somebody has raised the point that we are not going to be able to get sugar. The answer to that is that we are to be gone only a month, and we can find it in the meantime.

Mr. JOHNSON of Texas. Mr. President, I yield to the Senator from Utah [Mr. BENNETT].

Mr. BENNETT. Mr. President, I had hoped we could pass the complete resolution. However, I agree with the Senator from New Mexico that if we give the President power to determine the sugar quota for Cuba, we will not run into difficulty, and we can deal with the President's authority to acquire sugar when we return. I am happy to agree to the proposal.

Mr. JOHNSON of Texas. Mr. President, I yield to the Senator from Colorado [Mr. ALLOTT].

Mr. ALLOTT. Mr. President, I think this is a very satisfactory solution of the problem. I am very glad the Senator from New Mexico, the Senator from Florida, and the Senator from Utah have been able to get together on it. When we get back in August, we can resolve the problem and pass sugar legislation; but this authority is necessary at this time for the international welfare of the United States.

Mr. JOHNSON of Texas. Mr. President, I yield to the Senator from Nebraska [Mr. CURTIS].

Mr. CURTIS. Mr. President, I support the resolution as modified. I believe it is the best procedure to take. I revere the traditions and practices of this body, but also those of the House of Representatives. I think all should bear in mind that the sugar bill was messaged over to the Senate on July 1. The passage of this joint resolution will meet the requirements of everyone. When we reconvene we shall have an opportunity to go into this matter and pass a sugar bill which will be in the national interest.

I urge the passage of the joint resolution as it was suggested it be amended, and I hope the House of Representatives will accept it.

Mr. BUTLER. Mr. President, will the Senator yield?

Mr. JOHNSON of Texas. I yield to the Senator from Maryland.

Mr. BUTLER. I have prepared a statement in connection with this matter, and I ask unanimous consent that it may be inserted in the body of the RECORD.

There being no objection, the statement was ordered to be printed in the RECORD, as follows:

STATEMENT BY SENATOR BUTLER

REDUCING CUBAN SUGAR QUOTA IN FAVOR OF THE PHILIPPINE ISLANDS

It is interesting to note the contrast in policy of two former territories of the United States—the Philippine Islands and Cuba.

Assurances of continued loyalty and friendship to the United States on the one hand; angry, almost fanatic, castigation of the United States and its officials and a continuing policy of uncompensated confiscation of property and business on the other. Such is the difference in attitude and policy of the Philippines and Cuba toward us. One, obviously a true friend; the other an apparent enemy.

Yet, our sugar policy toward both of these underprivileged countries is one that belies the imagination.

Cuba for some reason continues to maintain a preferred position with regard to its sugar export to the United States. Not only does it supply approximately one-third of our domestic consumption—domestic producers supply about 53 percent—but it is also paid a premium price for it of approximately 2 cents per pound over the world market. It also receives preferential sugar treatment in other ways that I shall point out later.

The Philippine Islands on the other hand, with many more people than Cuba dependent upon its chief industry—sugar, and with a tremendous sugar-producing potential, made possible by postwar rehabilitation of its war-devastated sugar industry, is cur-

rently in the process of begging the United States for an increase in its effective quota of only about 10.43 percent, notwithstanding that its economy is extremely shaky and the threat of Communism is ever present.

In tons, the comparative figures are about 3.06 million short tons in 1959 for Cuba, to about 980,000 short tons for the Philippines. In 1934, it was 1,866,482 short tons for Cuba and 1,005,602 short tons for the Philippines. A disproportionate change if there ever was one. It doesn't stop there, however. That's only the basic quota.

Existing law provides for an overall basic consumption quota in the United States of 8,350,000 short tons. Of that amount, the domestic areas, in total, have been accorded the right to supply approximately 53 percent, Cuba about one-third, and the Philippines about 11.1 percent. The remaining 3 percent is imported from other foreign countries. It is this quota upon which the aforementioned figures are based.

In 1956 an amendment to the Sugar Act made provision for proportional allotment to various countries of domestic consumption in excess of the basic amount of 8,350,000 short tons. Of that excess, domestic suppliers are allotted 55 percent and Cuba 29.59 percent with the balance to other foreign countries except the Philippines which does not share at all. This lowers the Philippine quota from a stated 11.1 percent to an actual 10.43 percent on a total estimated consumption in 1960 of 9,200,000 short tons. Preferential sugar treatment for Cuba does not even stop here, however.

In some years, certain countries are unable to meet their quota and deficits result. When such deficits are incurred, present law provides that Cuba shall be entitled to supply a large percentage of it. This year alone, Puerto Rican deficits will benefit Cuba to the extent of enabling it to supply us with 165,000 tons of sugar over its quota. Deficits in other countries could possibly increase this even more. The Philippines do not share in these deficits in any way. It can, therefore, easily be seen that Cuba receives preferential treatment in many ways with respect to sugar. It isn't only limited to a premium price.

Haiti, another friend of ours, also wishes to have its small quota of about 8,000 tons doubled or even tripled. That amount would be a mere drop in the domestic sugar bucket. That country is ready at a moment's notice to put another mill, now standing idle, into operation to meet this quota.

Yet it seems the friends have to go begging while Cuba continues to get what it wants—both from the standpoint of confiscated U.S. business properties and retention of the sugar quota.

Some adjustment should and must be made as between Cuba and our avowed friends. The Cuban government recently committed itself to export one million tons of sugar annually to the Soviet Union for the next five years. It has also agreed to send 60,000 tons to East Germany and 50,000 tons to Poland and Communist China. On the whole, Cuba seems to be doing a pretty good business. It has expanded its market over what it has been in past years by trading with the Iron Curtain bloc. It necessarily follows, therefore, that it is not dependent upon U.S. trade to the same degree that it was heretofore.

I do not for a minute advocate complete elimination of the Cuban sugar quota. To do so would surely, as some contend, elevate Castro to the rank of martyr—an honor to which that bearded, tieless television orator is not entitled. More important, it would seriously impair the Cuban economy and be injurious to the people—many of whom, in spite of everything, are still our friends.

I do, however, advocate reducing the quota to a more reasonable level and suggest that

the criterion to be used in determining the degree of reduction be the amount of trade that Cuba does with Iron Curtain countries, or a percentage thereof.

This year, since Cuba is committed to ship 1,110,000 tons of sugar to Iron Curtain bloc countries, my plan would call for a reduction in its quota of 1,110,000 tons, or a substantial percentage thereof. The quota would thereafter slide upward or downward depending upon Cuban trade behind the Iron Curtain. This reduction in the Cuban quota could then be allocated among other more friendly sugar quota countries; principally the Philippines.

No one can argue that in so doing we are out to get Cuba or Castro or that we are attempting to paralyze its economy. We would merely be adjusting its quota, to the benefit of our friends, to reflect new business by Cuba and its lessened dependence on us—something Castro apparently desires.

Frankly, I think it is shocking when our great friend in the Far East has to come practically begging on its knees to get an increase in quota—especially when it has the facilities to supply us with substantially more tonnage. On President Eisenhower's recent trip to the Philippines, he and President Garcia re-emphasized the need for a strong stable economy in that country and recognized the desirability of increased trade between the two countries, as a means of stabilizing that economy. Mere extension of the Sugar Act would in no way assist in achieving this objective. It would merely maintain the status quo. The Philippines have in the past supplied us with 15.41 percent of our sugar consumption. At the very minimum it should be returned to that level. I think if we provide the means by which the quota can be increased, we would by immediate overt action carry out at least in part the President's promise to that country and assist in repelling the spread of communism.

We have to reassure our Philippine friends by affirmative action—not words. Communism is a festering sore in every society where the people by and large are underprivileged. The remedy is wider employment and a better standard of living. We will substantially assist in meeting both of these desirable objectives if we enable that country to materially increase its sugar export to us.

The problem of spreading Communism also exists in many Latin American countries, perhaps to an even greater degree. We must do something to stop it and we must do it promptly. Both areas can be materially helped by intelligent adjustment of our sugar program.

In order to best administer the principle of changing quotas which I advocate, the President should be given outright authority, which he does not now have, to change quotas; or, at least, authority guided by some standard such as that which I have previously outlined. There should also be authority in the President to immediately change a quota when a country is faced with a deficit.

To show how the present inflexible system can work to our detriment and to the decided benefit of a supplier country, such as Cuba, under present law, if a country finds a more favorable market during the big sugar consumption months and ships sugar elsewhere, it does not lose its quota; rather, it is entitled to make up that quota at any time during the year. This can cause a flood of sugar at the year's end when it is not needed. If the President had the authority to immediately reallocate a deficit, the danger of shortage during peak months and overabundance during short demand months would be eliminated.

Mr. LONG of Louisiana. Mr. President, will the Senator yield?

Mr. JOHNSON of Texas. I yield to the Senator from Louisiana.

Mr. LONG of Louisiana. I regret that the Senate has not had a sugar bill in time to act on it before we recess. Under the circumstances, however, this resolution is about all we will be able to pass before we come back in August. Therefore, I favor it.

Mr. ELLENDER. Mr. President, will the Senator yield?

Mr. JOHNSON of Texas. I yield to the Senator from Louisiana.

Mr. ELLENDER. I was very hopeful that some time this year we would be able to pass a realistic sugar bill. Yesterday the resolution now pending was discussed with several Members of the House. There was disagreement on their part in respect to giving the President the right to purchase sugar on the domestic and foreign market. As I understand, it has been agreed to so amend the resolution as to merely give the President the right to deal with the sugar quota insofar as Cuba is concerned, without in any manner distributing or replacing any cuts in the quota the President may make.

I am very hopeful, in light of the amendment to the resolution, the House will agree to it as passed by the Senate, and as it was concurred in by Members of the House.

Mr. JOHNSON of Texas. Mr. President, I yield to the Senator from Florida [Mr. SMATHERS].

Mr. SMATHERS. Mr. President, with respect to Senate Joint Resolution 217, I move to amend it by striking out everything after the word "interest" on line 8, page 1, and adding a period.

The PRESIDING OFFICER. The question is on agreeing to the amendment of the Senator from Florida.

The amendment was agreed to.

Mr. JOHNSON of Texas. I yield to the Senator from North Dakota.

Mr. YOUNG of North Dakota. Mr. President, there has been urgent need for action on the sugar problem for many months. It is regrettable that we have not had an opportunity to act on such legislation before now. If Congress failed to do anything about the Cuba Sugar Act before the recess, with all the insults we have received from Cuba and confiscation of property, and so forth, she would have received a bigger sugar quota than before. Under the circumstances, I agree with the leaders that nothing else could be done but amend the resolution and send it to the House.

Mr. BENNETT. Mr. President, Castro's stepped-up campaign of hatred for the United States is represented both by the increasing venom in his harangues and by his widening program of expropriation. This, I am sure, has made all of us realize that we must not leave here tonight without giving the President the power to readjust the Cuban sugar quota, if necessary to preserve and protect our country's security.

Day before yesterday the House passed a bill which would give the President this power but would also extend the present Sugar Act for 1 year. It would also put rigid limitations on his power to acquire replacement sugar. Now that it

has come over to us, the Finance Committee has had no chance to study it, or to consider the many bills which have been introduced by our own Members suggesting a wide variety of approaches to the problem of sugar quotas. To adopt the House bill would be to abandon these and postpone until January 1, 1962, any opportunity to make any substantive changes in the present quota pattern.

Since we are to come back on the 8th of August, we shall have an opportunity to hold hearings and to give complete consideration not only to the 1-year extension proposed by the House but also to the various ideas contained in the Senate bills. In the meantime, it could be tragic if between now and August 8 the President did not have the power which the House bill would grant to him.

This resolution would give the President authority to adjust the Cuban quota for 1960. Presumably this power would continue during the rest of this year. Actually, the practical effect of the resolution is to make sure that the President will have this power between now and the time we complete our work on the sugar bill during the August session. Obviously if we can have the opportunity to study the bill in August, we can also reconsider the authority this resolution gives to the President and may either confirm or change it.

I am sure that the leadership of both Houses is aware of the seriousness of the situation in Cuba.

I hope that we will adopt the resolution and give the House a chance to act on it.

Mr. HRUSKA subsequently said: Mr. President, I ask unanimous consent that there may be printed in the RECORD at a point immediately prior to the vote on the sugar resolution, a brief statement which I have prepared on the subject.

There being no objection, the statement was ordered to be printed in the RECORD, as follows:

STATEMENT BY SENATOR HRUSKA

Particularly in view of the recent, disheartening turn of events in Cuba now is the time to think clearly, speak plainly, and act decisively. No other single piece of legislation will permit us at this time to express our concern over the course of our relations with that once friendly nation lying off the shores of Florida.

The incredible character of the acts of Premier Castro removes the issue of what to do with the Sugar Act from the level of vindictiveness or retaliation, although the provocation would be ample if we were looking for excuses. This is no longer merely a question of acting hastily and rashly in the face of a sudden turnabout of events and relations. Things have proceeded much too far for that charge.

Indeed, it is fair to say that our forbearance in the face of unjustified and unprecedented barrage of charges and acts by one country to another has been exemplary. We forbear, not from indifference or indecision, but by a willingness to be patient as a new government struggled to gain its balance and recover such ground as was lost under the Batista regime. But the reckless and outright aggressive practices in which Cuba has indulged itself these past several months no longer can be borne with patience and in silence.

By her own actions Cuba forced the issue we are now debating. She has ruptured the

friendly relations and violated accepted principles of international law that exist between our two countries. On our part, the time is past when we can say Cuba is merely riding out the revolutionary storm. Her every act demonstrates that she is perpetuating these difficulties for her own reasons, difficult as they are to perceive.

At this time our own national interests dictates a new course of action by the Congress. Events of the recent past manifest that we cannot sit idly by, committing ourselves with regard to our sugar requirements to a producer nation whose ability to perform its obligation appear to be governed by whim or fancy—or the desires of other unfriendly nations. The American consumer must not be caught short and be put through the wringer by the momentary disposition of Premier Castro.

His abusive language we can—to a degree—discount and ignore. But we are not powerless to defend our vital interests and to deal with whatever hostile and ruthless attacks he is disposed to make.

Due to such events, the basis of our relations shifts, so to speak, and the risks we were once willing to take in a generous and forgiving spirit now reach out and involve our national security. At this point, the question is thrown into a larger frame of reference. We sense the insidious and diabolical influences of Communist Russia at work. We rightly take firm steps to thwart their further development. In this context the action which we are contemplating is thoroughly justified and will be completely understood and supported by all our allies in this hemisphere and across the seas. This should extend to an unmistakable statement of U.S. policy that we will not tolerate formation of a mutual defense pact between Cuba and Russia which will preclude any country in the Western Hemisphere the exercising of its right to determine the kind of government it desires for itself or which will threaten the peace and security of the world.

The senior Senator from Nebraska is gratified, Mr. President, that the resolution at hand accords the President the discretion and power to cut the Cuba sugar quota whenever the national interests dictate.

By vesting this discretionary power in the President, we permit a rapid adjustment to any situation that unfortunately might develop between the two countries. President Eisenhower is uniquely equipped to sense and respond to such situations, having immediate and comprehensive reports flowing into him round the clock, whether it be a workday or holiday, and whether Congress is in session or not. Only the President is therefore able to act before, rather than after, the fact. It is sound legislative judgment to authorize him to cut quotas immediately if the circumstances warrant that action. We should not freeze our trade position by law at a time when all considerations demand the most fluid or flexible actions.

As I have said, the necessary precautions regarding the precarious situation in Cuba are amply taken by vesting the President with discretionary authority to cut quotas. For that reason, there is no necessity to scuttle the proposal to extend the act for 4 years and deny our producers the proper opportunity to plan their programs with what assurances this law provides.

I support wholeheartedly the act of vesting the President with the power to cut Cuba's sugar quota whenever the national interests require that to be done. I urge this body to consider that, when that provision is adopted, enough safeguards will be taken to permit a 4-year extension to the act, in the interest of promoting an orderly development and reasonable stabilization of our domestic sugar industry.

Mr. JOHNSON of Texas. Mr. President, I ask for the yeas and nays on passage of the joint resolution.

The yeas and nays were ordered.

Mr. JOHNSON of Texas. Mr. President, if it is agreeable to the minority leader, I am willing to yield back my remaining time. I yield back the remainder of my time.

Mr. DIRKSEN. Mr. President, I yield back the remainder of my time.

The PRESIDING OFFICER. All time for debate has been yielded back. If there be no further amendment to be proposed, the question is on the engrossment and third reading of the joint resolution.

The joint resolution (S.J. Res. 217) was ordered to be engrossed for a third reading, and was read the third time.

The PRESIDING OFFICER. The joint resolution having been read the third time, the question is, Shall it pass? On this question the yeas and nays have been ordered, and the clerk will call the roll.

The legislative clerk called the roll.

Mr. MANSFIELD. I announce that the Senator from New Mexico [Mr. CHAVEZ], the Senator from Hawaii [Mr. LONG], the Senator from Washington [Mr. MAGNUSON], the Senator from Montana [Mr. MURRAY], the Senator from Rhode Island [Mr. PASTORE], and the Senator from Georgia [Mr. RUSSELL], are absent on official business.

I also announce that the Senator from Missouri [Mr. HENNINGS] is absent because of illness.

I further announce that the Senator from Massachusetts [Mr. KENNEDY], and the Senator from Wyoming [Mr. O'MAHONEY], are necessarily absent.

On this vote, the Senator from Hawaii [Mr. LONG] is paired with the Senator from Washington [Mr. MAGNUSON]. If present and voting, the Senator from Hawaii would vote "nay," and the Senator from Washington would vote "yea."

I further announce that, if present and voting, the Senator from New Mexico [Mr. CHAVEZ], the Senator from Missouri [Mr. HENNINGS], the Senator from Massachusetts [Mr. KENNEDY], the Senator from Montana [Mr. MURRAY], the Senator from Wyoming [Mr. O'MAHONEY], the Senator from Rhode Island [Mr. PASTORE], and the Senator from Georgia [Mr. RUSSELL] would each vote "yea."

Mr. KUCHEL. I announce that the Senator from Maryland [Mr. BEALL], the Senators from New Hampshire [Mr. BRIDGES and Mr. COTTON], and the Senator from Massachusetts [Mr. SALTONSTALL] are necessarily absent.

The Senator from Indiana [Mr. CAPEHART] is absent on official business.

The Senator from Iowa [Mr. MARTIN] is absent by leave of the Senate on official business.

The Senator from Vermont [Mr. PROUTY] is detained on official business.

If present and voting, the Senator from Maryland [Mr. BEALL], the Senators from New Hampshire [Mr. BRIDGES and Mr. COTTON], the Senator from Indiana [Mr. CAPEHART], the Senator from Vermont [Mr. PROUTY], and the Senator from Massachusetts [Mr. SALTONSTALL] would each vote "yea."

The result was announced—yeas 84, nays 0, as follows:

[No. 274]

YEAS—84

Alken	Fong	McClellan
Allott	Frear	McGee
Anderson	Fulbright	McNamara
Bartlett	Goldwater	Mansfield
Bennett	Gore	Monroney
Bible	Green	Morse
Brunsdale	Gruening	Morton
Bush	Hart	Moss
Butler	Hartke	Mundt
Byrd, Va.	Hayden	Muskie
Byrd, W. Va.	Hickenlooper	Proxmire
Cannon	Hill	Randolph
Carlson	Holland	Robertson
Carroll	Hruska	Schoeppel
Case, N.J.	Humphrey	Scott
Case, S. Dak.	Jackson	Smathers
Church	Javits	Smith
Clark	Johnson, Tex.	Sparkman
Cooper	Johnston, S.C.	Stennis
Curtis	Jordan	Symington
Dirksen	Keating	Talmadge
Dodd	Kefauver	Thurmond
Douglas	Kerr	Wiley
Dworshak	Kuchel	Williams, Del.
Eastland	Lausche	Williams, N.J.
Ellender	Long, La.	Yarborough
Engle	Lusk	Young, N. Dak.
Ervin	McCarthy	Young, Ohio

NAYS—0

NOT VOTING—16

Beall	Kennedy	Pastore
Bridges	Long, Hawaii	Prouty
Capehart	Magnuson	Russell
Chavez	Martin	Saltonstall
Cotton	Murray	
Hennings	O'Mahoney	

So the joint resolution (S. J. Res. 217), as amended, was passed, as follows:

Resolved by the Senate and House of Representatives of the United States of America in Congress assembled, That notwithstanding the provisions of the Sugar Act of 1948, as amended:

(1) The President shall determine the quota for Cuba under such Act for the balance of the calendar year 1960 in such amount or amounts as he shall find from time to time to be in the national interest.

Mr. BYRD of Virginia. Mr. President, I offer an amendment to the title which I send to the desk and ask to have stated.

The PRESIDING OFFICER. The clerk will state the amendment of the Senator from Virginia.

The LEGISLATIVE CLERK. It is proposed to amend the title so as to read: "Joint resolution to authorize the President to make certain adjustments in the sugar quota for Cuba."

The amendment was agreed to.

Mr. MOSS. Mr. President, I ask unanimous consent that there be printed in the body of the RECORD a statement which I have prepared on the sugar resolution.

There being no objection, the statement was ordered to be printed in the RECORD, as follows:

STATEMENT BY SENATOR MOSS

I support the resolution. In view of the steadily worsening situation in Cuba, Congress should not recess, to be gone for several weeks, without giving the President the authority to adjust the Cuban sugar quota.

I am confident that most Americans have deep sympathy for the Cuban people in their time of great trial. We all dislike the idea of penalizing them by taking away the sugar quotas upon which much of the economy of the island and the well-being of the people are based.

But we must be realistic. We must deal with Castro, and his Communist-studded

government, in language which will be understood. We cannot submit to further blackmail. We cannot allow a strutting and irresponsible leader of a foreign country to dictate our internal policy and challenge our national integrity. We have lost enough prestige around the world already.

Castro has warned that any cut in the Cuban sugar quota will result in wholesale confiscation of property there which is owned or managed by Americans. Already more than \$500 million in American investments has been confiscated, and there is no hint of repayment. What have we got to lose?

America can well use the Cuban sugar quota to expand its own domestic production and to improve relations with some of our friends in Latin America who do not now have a sugar quota. My own state of Utah would welcome the opportunity to expand sugar production to meet domestic consumption levels, and I know many other Western and Southern sugar-producing States would feel the same.

POLITICAL STABILITY AND ECONOMIC WELFARE OF LATIN-AMERICAN NATIONS

Mr. KEFAUVER. The political stability and economic welfare of all Latin American nations have always been regarded as being of vital interest to the people of the United States. Over the years we have come to regard our sister American republics as our full partners in the American community. We have not only accepted but we have encouraged others to accept the concept of collective responsibility for the solutions of inter-American problems, whether economic or military.

It is a matter of deep concern to all Americans that on the island of Cuba—at our very doorstep—the Castro regime has taken advantage of the legitimate hopes and aspirations of the Cuban people only to victimize them and to create a threat to peace in the Western Hemisphere. It is now obvious that Fidel Castro has brought about conditions leading to the complete economic and political slavery of the Cuban people and which, if unchecked, may spread to other nations in the Western Hemisphere.

The Cuban people suffered long and deeply under the cruel excesses of Dictator Batista. They had every right to hope—as did freedom-loving people everywhere—that better things were in store for them when Castro, loudly proclaiming his belief in democracy, captured the imagination of the Latin American people in his successful campaign to overthrow the oppressive Batista regime.

These hopes have been dashed upon the rocks. Castro has unmasked himself before the world as the willing tool, if not an active advocate, of international communism. The right of free speech, the right to own property, and other freedoms which we all too often take for granted are rapidly vanishing from the scene on the island of Cuba.

It is time that the U.S. Government and the American people looked realistically at the infiltration of communism in Cuba, and it is time we took positive action to combat it.

The policy of patience and forbearance which was followed by the Eisen-

hower administration in the face of the early anti-United States tirades by Castro and his henchmen was commendable. Precipitant action taken unilaterally by the United States would undoubtedly have caused resentment and suspicion not only on the part of the Cuban people but on the part of others throughout the Western Hemisphere.

Tennessee's own great Cordell Hull recognized during the thirties that the time had passed when the problems of Latin America could or should be solved by sending a contingent of U.S. Marines. And so Cordell Hull, displaying the wisdom and foresight of which all Tennesseans are proud, launched our good neighbor policy, designed to promote our economic and cultural ties with our Latin American friends on the basis of cooperative effort beneficial both to us and to them. The Cordell Hull Good Neighbor Policy must remain the cornerstone of our Latin American policy. We can and we must deal with the Cuban situation within the framework of that policy.

The admirable qualities of patience and forbearance which have characterized our policy with respect to Castro have served their purpose. But patience and forbearance are no longer sufficient. Such a policy, standing alone, no longer serves the interests of either the United States or of the Cuban people.

Day by day the situation in Cuba becomes increasingly ominous. Economic ties with the Soviet Union, publicly proclaimed, are coupled with rumors of prospective military ties and with outright hostile acts against U.S. naval forces.

We must take into consideration the possibility of the establishment of Russian military bases on Cuban soil. I am not now predicting that such will occur. But so far as I am concerned the establishment of a Russian missile base, air base or naval base in Cuba would constitute a violation of the Monroe Doctrine under which the United States has for a century and a half made clear our determination to repeal any effort by any outside predatory nation to engulf any part of the Western Hemisphere. Neither Castro nor Khrushchev should be left in any doubt as to the consequences of such action.

Three months ago, in a speech on the floor of the U.S. Senate, I sounded a clear warning that a revision of United States-Cuban policy was required. I pointed out then, as I point out now, that it is not enough merely to deplore the extreme measures being taken by Castro. It is not enough merely to deny his outrageous charges against the United States. We need more than a negative policy. We must formulate and implement a positive program of action.

By positive action I do not mean, sending the Marines. Nor do I suggest that our Government should wage unrestricted economic warfare against the Cuban people. On the contrary, we must proceed in concert with other Latin American countries whose stability and security are at stake and against some of which Castro has already deliberately sought to stir up dissension and revolt.

Building upon the Cordell Hull Good Neighbor Policy, we took the lead in establishing the Organization of American States as a vehicle for solving mutual problems through cooperative effort. Recently our Government presented to OAS a well documented complaint exposing Castro's deliberate anti-United States campaign. But here again it is not enough merely to make clear what has occurred. We must propose within the OAS a positive course of action to be undertaken under the auspices of OAS in the interests of peace and security.

I urge President Eisenhower to take such action. Consideration should also be given to using the facilities of the United Nations to forestall action which would imperil world peace, as Castro's attitude becomes increasingly belligerent and threatening.

The Congress should give to the President the authority to revise Cuban sugar quotas with the understanding that this authority will be used, if at all, not as an act of economic hostility against the Cuban people, but only if the exigencies of the situation require it, and certainly our other friends in OAS should be consulted about this.

Action by our Government to counter the threat of the Castro brand of communism should be taken promptly and after deliberate consideration. We can no longer safely rely on the hope that Castro will collapse or disappear if we merely continue to turn the other cheek.

SELF-EMPLOYED INDIVIDUALS TAX RETIREMENT ACT OF 1960

Mr. BYRD of Virginia. Mr. President, I ask unanimous consent to have printed in the body of the RECORD at this point in my remarks a statement in regard to H.R. 10.

There being no objection, the statement was ordered to be printed in the RECORD, as follows:

STATEMENT BY SENATOR BYRD OF VIRGINIA

I wish to make a short statement for the RECORD relative to H.R. 10 which is generally referred to as a "bill to encourage the establishment of voluntary pension plans by self-employed individuals."

I could not support this bill as it was passed by the House of Representatives. But amendments adopted by the Senate Finance Committee removed the principal objections.

Objectionable features in the bill as it was passed by the House included the following provisions:

- (1) It gave tax advantages for the exclusive benefit of employers.
- (2) It did not require establishing non-discriminatory plans covering eligible employees.
- (3) It created substantial tax differences between self-employed retirement programs and corporate qualified pension plans.
- (4) It established an undesirable precedent allowing individual tax deductions for retirement savings.
- (5) It involved a revenue loss of approximately \$365 million a year.

As chairman of the Senate Finance Committee, I requested the Treasury Department, in cooperation with the staff of the Joint Committee on Internal Revenue Taxation, to search for a better approach to the treatment of the retirement savings of self-employed people.

The bill now before the Senate is the result of that dual study. It also reflects

new information developed through the committee hearings held in May of this year.

The Treasury estimates that the revenue cost of extending retirement plans coverage to self-employed under this amended bill will range between \$150 million and \$250 million annually, as compared with \$365 million under the bill as passed by the House.

And in this connection, this cost is to be offset in considerable measure by an anticipated increase in revenue resulting from changes in the corporate area.

Without going into details the pending bill, as amended by the Finance Committee, differs from the bill as it passed the House in the following major respects:

(1) Self-employed may participate in their own qualified pension plan only if the plan includes their employees—and is nondiscriminatory as to coverage, contributions, and benefits.

(2) The basic deduction allowable each year is patterned on the original H.R. 10 formula—10 percent of earnings up to \$2,500 a year. However, the Senate Finance Committee bill uses "earned income" as the base, which generally would be less than "self-employment income" used in the original version.

(3) The basic formula of 10 percent of earned income up to \$2,500 is not increased for persons over 50 years of age. The original version raised the percentage and dollar limitations between years 50 and 70.

(4) The original bill contained a total lifetime limitation of \$50,000 for contributions on behalf of each self-employed person. This limitation has been eliminated in view of other restrictions inserted in the amended bill.

There is another aspect of the committee bill which should be mentioned. It places additional restrictions on corporate pension plans when a covered employee is owner of more than 10 percent of the corporation's stock. This would prevent unwarranted tax advantages for a few individual stockholders.

The Finance Committee report on this bill supports the belief that it is in the public interest to extend coverage of individuals under voluntary retirement plan as a means of discouraging complete reliance on local, State or Federal Government for assistance.

The same general privileges and restrictions should apply, whether plans are established by proprietors, partnerships or corporations.

It is for this reason that the committee bill provides that self-employed persons may participate in their own qualified pension plan only if the plan includes their employees—and with respect to employees the plan shall be nondiscriminatory, percentage-wise, as to coverage, contributions and benefits.

The best information available to the committee indicated some 20 million persons would be affected by this bill—10 million self-employed, and 10 million employees of the self-employed.

Representatives of the self-employed persons throughout the Nation have been seeking this type of legislation since 1951, and various bills which should accomplish this purpose have been introduced over the past 10 years.

I believe the committee bill is the best approach to the problem proposed to date. It will reach individuals in a wide variety of trades and professions in a reasonable manner and within a pattern already existing in the Internal Revenue Code.

Under these circumstances I am prepared to support the bill (H.R. 10) as amended and reported by the Senate Finance Committee.

GLORIA ANNE LOVEDAY

Mr. JOHNSON of Texas. Mr. President, I ask unanimous consent that the

Senate proceed to the consideration of Calendar No. 1524, H.R. 7895.

The PRESIDING OFFICER. The bill will be stated by title for the information of the Senate.

The LEGISLATIVE CLERK. A bill (H.R. 7895) for the relief of Gloria Anne Loveday.

The PRESIDING OFFICER. Is there objection to the present consideration of the bill?

There being no objection, the Senate proceeded to consider the bill.

Mr. JOHNSON of Texas. Mr. President. The purpose of the bill is to enable Gloria Anne Loveday to qualify for an immigrant visa under the quota for Great Britain, of which country she is a citizen.

It was objected to on the calendar, but objection has since been removed.

The PRESIDING OFFICER. The bill is open to amendment. If there be no amendment to be proposed, the question is on the third reading and passage of the bill.

The bill (H.R. 7895) was ordered to a third reading, read the third time, and passed.

Mr. JOHNSON of Texas. Mr. President, I move to reconsider the vote by which the bill was passed.

Mr. FULBRIGHT. I move to lay the motion to reconsider on the table.

The motion to lay on the table the motion to reconsider was agreed to.

CONVEYANCE OF CERTAIN PROPERTY IN THE CITY OF FLANDREAU, S. DAK.

Mr. JOHNSON of Texas. Mr. President, I move that the Senate proceed to the consideration of Calendar No. 1691, Senate bill 2709.

The PRESIDING OFFICER. The bill will be stated by title for the information of the Senate.

The LEGISLATIVE CLERK. A bill (S. 2709) directing the Secretary of the Interior to convey to the city of Flandreau, S. Dak., any interest remaining in the United States to certain property which it conveyed to such city by the act of August 21, 1916.

The PRESIDING OFFICER. The question is on the motion of the Senator from Texas.

The motion was agreed to; and the Senate proceeded to consider the bill.

Mr. JOHNSON of Texas. Mr. President, the bill was called on the calendar. Objection was made on the ground that it did not comply with the Morse formula. The Senator from South Dakota [Mr. MUNDT] has an amendment embodying the Morse formula which he proposes to offer.

Mr. MUNDT. Mr. President, I offer an amendment which I send to the desk in behalf of the Senator from Oregon [Mr. MORSEL], and ask to have it stated.

The PRESIDING OFFICER. The amendment offered by the Senator from South Dakota will be stated.

The LEGISLATIVE CLERK. On page 1, line 4, it is proposed to strike out "without consideration". At the end

of the bill it is proposed to add the following new section:

SEC. 2. The conveyance authorized by the first section of this Act shall be conditional upon the State of South Dakota paying to the United States 50 per centum of the fair market value, as determined by the Secretary of the Interior, of any interest (including any reversionary interest) held by the United States in the property conveyed.

The PRESIDING OFFICER. The question is on agreeing to the amendment of the Senator from South Dakota.

The amendment was agreed to.

The bill was ordered to be engrossed for a third reading, read the third time, and passed.

Mr. JOHNSON of Texas. Mr. President, I move that the Senate reconsider the vote by which the bill was passed.

Mr. MUNDT. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

IMPROVEMENT OF ADMINISTRATION OF OVERSEA ACTIVITIES

Mr. JOHNSON of Texas. Mr. President, I ask unanimous consent that the Senate proceed to the consideration of Calendar No. 1710, H.R. 7758.

The PRESIDING OFFICER. The bill will be stated by title for the information of the Senate.

The LEGISLATIVE CLERK. A bill (H.R. 7758) to improve the administration of oversea activities of the Government of the United States, and for other purposes.

The PRESIDING OFFICER. Is there objection to the present consideration of the bill?

There being no objection, the Senate proceeded to consider the bill, which had been reported from the Committee on Post Office and Civil Service, with amendments, on page 5, at the beginning of line 3, to insert "The head of the Government agency concerned may, in accordance with regulations of the President, waive in whole or in part any right of recovery under this section, if it is shown that such recovery would be against equity and good conscience or against the public interest."; on page 7, line 14, after the word "of", to strike out "transportation" and insert "travel"; on page 8, line 6, after the word "The", to strike out "cost of transporting" and insert "travel expenses of"; in line 16, after the word "Act", to strike out "transportation" and insert "travel expenses"; on page 24, line 9, after "443", to strike out "901 (1) and (2)"; in line 12, after "888", to strike out "1131," and on page 27, after line 10, to insert:

(7) Section 901 of the Foreign Service Act of 1946, as amended (22 U.S.C. 1131), is amended to read as follows:

"REPRESENTATION ALLOWANCES"

"SEC. 901. In accordance with such regulations as the President may prescribe and notwithstanding the provisions of section 1765 of the Revised Statutes (5 U.S.C. 70), the Secretary is authorized to grant to any officer or employee of the Service who is a citizen of the United States allowances in order to provide for the proper representation of the United States by officers or employees of the Service."

"SEC. 2. There is hereby authorized to be appropriated such funds as may be necessary to carry out the purpose of this Act."

The committee amendment was agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time and passed, and a motion to reconsider was laid on the table.

CONVEYANCE OF CERTAIN REAL PROPERTY TO THE CITY OF LITTLE ROCK, ARK.

Mr. BROOKS of Texas. Mr. Speaker, I ask unanimous consent for the immediate consideration of the bill (S. 3319) to authorize the Administrator of General Services to release the recapture provisions contained in the conveyance of certain real property to the city of Little Rock, Ark., and for other purposes.

The Clerk read the title of the bill.

The SPEAKER. Is there objection to the request of the gentleman from Texas?

Mr. PELLY. Reserving the right to object, may I ask the gentleman from Texas if he has cleared this with the minority side?

Mr. BROOKS of Texas. I have.

Mr. PELLY. I withdraw my reservation of objection, Mr. Speaker.

The SPEAKER. Is there objection to the request of the gentleman from Texas?

There was no objection.

The Clerk read the bill as follows:

Be it enacted by the Senate and House of Representatives of the United States of America, in Congress assembled, That (a) subparagraph numbered (2) of the concluding paragraph of the first section of the Act entitled "An Act making appropriations for the military and nonmilitary activities of the War Department for the fiscal year ending June 30, 1937, and for other purposes," approved May 15, 1936 (49 Stat. 1292), is hereby repealed.

(b) The Administrator of General Services is authorized and directed to execute and deliver to the city of Little Rock, Arkansas, without consideration, such instrument as he shall determine to be required to release effectively to that city all right, title, and interest heretofore reserved to the United States or any department or agency thereof in or with respect to the land described in section 2 of that Act (49 Stat. 1292-1293) in compliance with the condition imposed by that subparagraph.

Passed the Senate June 22, 1960.

Attest: FELTON M. JOHNSON,
Secretary.

The bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

HARPERS FERRY NATIONAL MONUMENT

Mr. STAGGERS. Mr. Speaker, I ask unanimous consent for the immediate consideration of the bill (H.R. 10831) to authorize the acquisition of certain lands for addition to Harpers Ferry National Monument, and for other purposes.

The Clerk read the title of the bill.

The SPEAKER. Is there objection to the request of the gentleman from West Virginia?

Mr. GROSS. Reserving the right to object, Mr. Speaker, may I ask the gentleman the cost and the purpose of the bill?

Mr. STAGGERS. The cost of it as reported by the Department of the Interior is \$300,000. I introduced the bill at the request of the Department. I should like to explain just a little bit of the background, if I may.

This is meritorious legislation. Every schoolchild in America has read and studied about Harpers Ferry. A national monument is already established and is in operation in the locality.

This 30 acres could not be obtained at the time of the original purchase of the land for the Harpers Ferry National Monument because Storer College, an institution of higher learning for colored students, was then in operation.

In recent years, when the schools in our State integrated, it was necessary to abandon Storer College and the property is now for sale. The Federal Government can secure it at the present time, with all of the buildings, for the small sum of \$300,000.

These buildings on the Storer College grounds may be used for housing personnel of the National Park Service and for training purposes.

The 30 acres of land in question are located almost in the center of the Harpers Ferry National Monument and acquisition is necessary to complete this project. In fact, many historical buildings and outstanding spots in our history are located on the Storer College site, including John Brown's Fort and the Federal Armory which was seized by John Brown in 1859. George Washington requested that moneys be appropriated for the building of this historical armory.

If this additional land is not acquired by the Federal Government now, there is the danger that it would be purchased by private interests. In the event this should occur, I am sure that in later years it would cost our Government many, many times over the expenditure necessary today. And, as stated above, in time the land, of necessity, must be acquired for completion of the Harpers Ferry National Monument.

I sincerely believe it is only wise and using good judgment to pass this legislation today and not take the chance of waiting to take action on it when we return in August. The RECORD will show that full hearings were held before the subcommittee and approved by it, and then approval was granted by the full committee. The legislation meets all the requirements for passage on the Consent Calendar which the objectors require.

The SPEAKER. Is there objection to the request of the gentleman from West Virginia?

Mr. KYL. Mr. Speaker, I object.

CONVEYANCE OF LAND IN VAN BUREN COUNTY, IOWA

Mr. SCHWENGEL. Mr. Speaker, I ask unanimous consent for the immediate consideration of the bill (S. 3247) to amend the act of September 9, 1959 (73 Stat. 473), to provide that payment for the lands covered by such act may be made on a deferred basis.

The Clerk read the title of the bill.

Mr. BROWN of Ohio. Mr. Speaker, reserving the right to object, will the gentleman explain the bill?

Mr. SCHWENGEL. I shall be very glad to offer an explanation.

This is a private bill. It is the same as a companion bill H.R. 10740, introduced by myself and which was reported out of the Committee on Agriculture the other day by unanimous vote. It makes it possible for the city of Keosauqua to acquire certain lands in negotiation with the Government which can be used as a park and for extension of sewer facilities.

The SPEAKER. Is there objection to the present consideration of the bill?

Mr. DEROUNIAN. Mr. Speaker, I object.

SENATE RESOLUTION RETURNED

Mr. McCORMACK. Mr. Speaker, I offer a resolution based on the privileges of the House and ask for its immediate consideration.

The Clerk read as follows:

HOUSE RESOLUTION 598

That Senate Joint Resolution 217 in the opinion of this House contravenes the first clause of the seventh section of the first article of the Constitution of the United States, and is an infringement of the privileges of this House, and that the said resolution be respectfully returned to the Senate with a message communicating this resolution.

Mr. HALLECK. Mr. Speaker, will the gentleman yield?

Mr. McCORMACK. I yield.

Mr. HALLECK. Will the gentleman explain the resolution?

Mr. McCORMACK. This resolution has the effect of sending back to the Senate the Senate resolution in relation to the sugar legislation. It states that the House respectfully declines to receive it on the ground that it involves revenue or affects revenue; and, under the Constitution, such legislation should originate in the House of Representatives.

The SPEAKER. The question is on the resolution.

The resolution was agreed to.

A motion to reconsider was laid on the table.

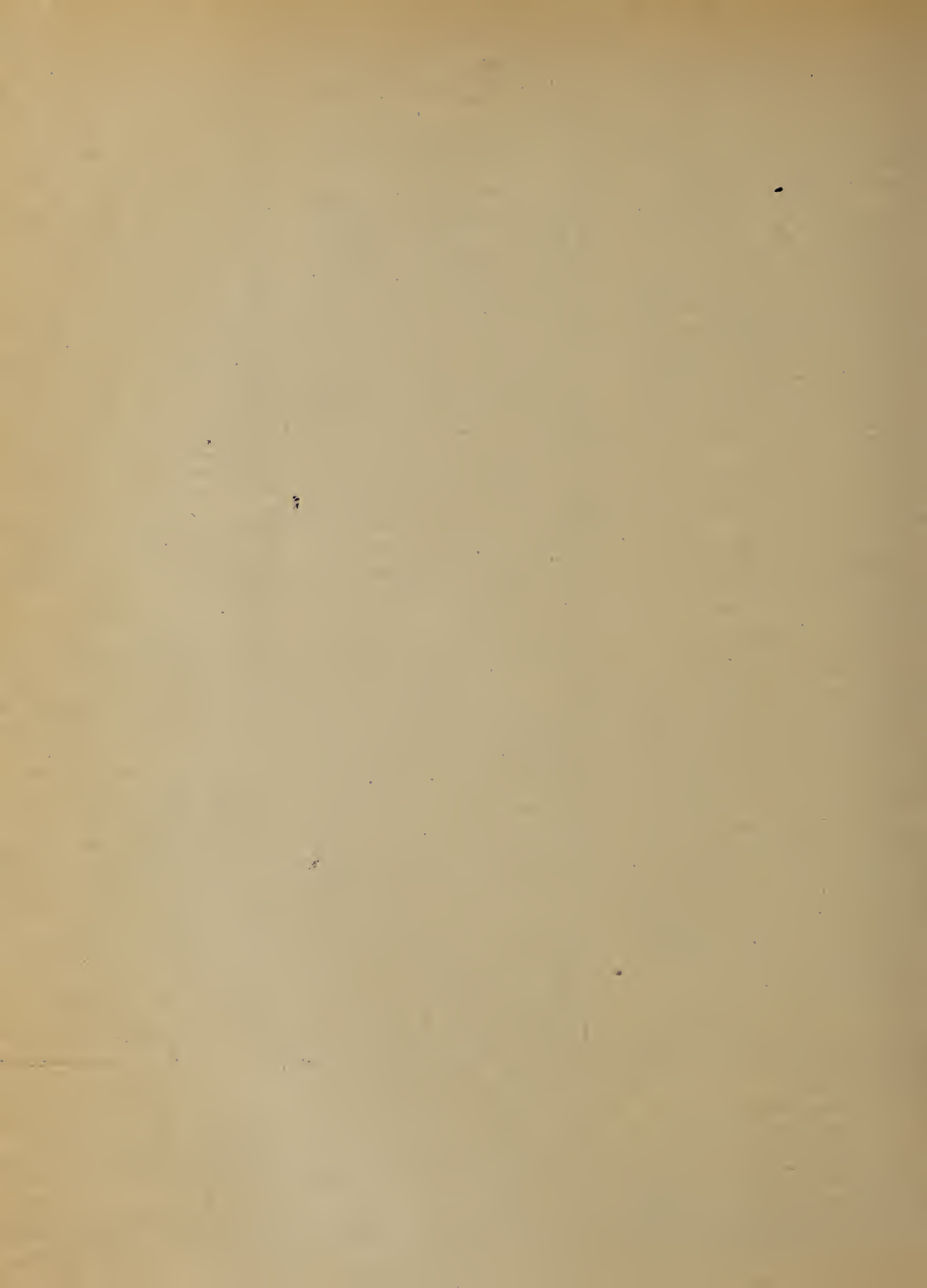
RECESS

The SPEAKER. Without objection the House will stand in recess until 11 o'clock p.m.

There was no objection.

Thereupon (at 9 o'clock and 56 minutes p.m.) the House stood in recess until 11 o'clock p.m.

(Further proceedings of the House of Representatives of July 2, 1960, will be continued in the next issue of the RECORD.)



H. RES. 598

IN THE HOUSE OF REPRESENTATIVES

JULY 2, 1960

Mr. McCORMACK submitted the following resolution; which was considered and agreed to

RESOLUTION

- 1 *Resolved*, That S.J. Res. 217 in the opinion of this
- 2 House contravenes the first clause of the seventh section
- 3 of the first article of the Constitution of the United States,
- 4 and is an infringement of the privileges of this House, and
- 5 that the said resolution be respectfully returned to the Senate
- 6 with a message communicating this resolution.

86TH CONGRESS
2D Session

H. RES. 598

RESOLUTION

To return S.J. Res. 217 to the Senate with a message communicating this resolution.

By Mr. McCORMACK

JULY 2, 1960

Considered and agreed to

Digest of CONGRESSIONAL PROCEEDINGS

OF INTEREST TO THE DEPARTMENT OF AGRICULTURE

OFFICE OF
BUDGET AND FINANCE

(For Department
Staff Only)

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For actions of July 2, 1960 cont'd
86th-2d, No. 125

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HIGHLIGHTS: Both Houses agreed to conference report on sugar bill. Senate acted on amendments in disagreement on supplemental appropriation bill. Rep. Cooley introduced bill to provide payment-in-kind program for wheat. Both Houses agreed to concurrent resolution for adjournment until August.

SENATE

1. SUGAR. Passed with amendments H. R. 12311, to amend and extend the Sugar Act (pp. 14661-70). House and Senate conferees were appointed (pp. 14679). Both Houses received and agreed to the conference report (H. Rept. 2090) on the bill (by a vote of 32 to 24 in the Senate; by voice vote in the House) (pp. 14679-90, 14710-12).

As agreed to the bill provides as follows:

Extends the Sugar Act through March 31, 1961.

Directs the President to determine the quota for Cuba for the balance of the calendar year 1960 and for the three months period ending March 31, 1961. In no event may the determined quota for Cuba exceed that which would otherwise be established under Title II of the Act.

Authorizes the President to cause or permit to be brought or imported into or marketed in the United States from such sources as he deems appropriate a quantity not in excess of the quantity by which the quota for Cuba is reduced.

(a) The portion of the quota-reduction-quantity equivalent to that part of domestic area deficits which otherwise would be prorated to Cuba may be allocated to other domestic areas.

(b) The remaining quantity of the reduction, the President is authorized to purchase as raw sugar as follows:

(1) First, there shall be purchased from Haiti, Netherlands, China, Panama and Costa Rica, a quantity which would permit a total, including quota quantities, of 10,000 tons to be imported from each country. At the present level of total quotas, 9,400,000 tons, 28,391 short tons, raw value, could be purchased from this group of countries.

(2) Then, 15 percent of the remainder of the reduction shall be purchased from the Republic of the Philippines.

And, 85 percent of the remainder of the reduction shall be purchased from other countries which have quotas under Sec. 202(c) of the Act pro rata to those quotas. Those countries are:

Peru	United Kingdom
Dom. Republic	Belgium
Mexico	British Guiana
Nicaragua	Hong Kong
Canada	

(3) If additional quantities are required, purchases may be made from any countries without regard to allocations.

(4) If raw sugar is not reasonably available, the President may cause or permit the required quantity of direct-consumption sugar to be imported.

The words "the Territory of" are stricken in reference to Hawaii.

2. SUPPLEMENTAL APPROPRIATION BILL, 1961.

Acted on amendments in disagreement to this bill, H. R. 12740 (pp. 14659-61). As agreed to the bill provides \$1,800,000 additional for watershed protection and \$1,570,000 additional for flood prevention activities of SCS, \$5,200,000 additional to ARS for construction of facilities, and \$1,350,000 additional to AMS to permit inspection of poultry-food products in processing plants during fiscal year 1961. The Senate receded from its amendments which would have provided \$30,000,000 to the Bureau of Public Roads for payment of obligations incurred in the construction of forest highways, and would have provided that appropriations, authorizations, and funds available to departments and agencies for the fiscal year 1961 could be apportioned on the basis indicating the need for supplemental estimates so as to permit the payment of pay increases provided for in the new pay raise law.

3. LEGISLATIVE PROGRAM. Agreed to the House amendment to S. Con. Res. 112, providing "That when the two Houses shall adjourn on Sunday, July 3, 1960, the Senate shall stand adjourned until 12 o'clock noon on Monday, August 8, 1960, and the House of Representatives shall stand adjourned until 12 o'clock noon on Monday, August 15, 1960." p. 14690

4. NOMINATIONS. Agreed to a resolution by Sen. Johnson providing that "notwithstanding the adjournment of the Senate ... the status quo of nominations now pending and not finally acted upon at the time of taking such adjournment shall be preserved." p. 14690

EXTENDING FOR 1 YEAR THE SUGAR ACT OF 1948

July 3 (legislative day, July 2), 1960.—Ordered to be printed

Mr. COOLEY, from the committee of conference, submitted the following

CONFERENCE REPORT

[To accompany H.R. 12311]

The committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H.R. 12311) to extend for 1 year the Sugar Act of 1948, as amended, having met, after full and free conference, have agreed to recommend and do recommend to their respective Houses as follows:

That the Senate recede from its amendments numbered 8, 10, and 12.

That the House recede from its disagreement to the amendments of the Senate numbered 3, 4, 9, 11, and 13, and agree to the same.

Amendment numbered 1:

That the House recede from its disagreement to the amendment of the Senate numbered 1, and agree to the same with an amendment as follows:

In lieu of the matter proposed to be stricken by the Senate amendment insert the following: *That section 412 of the Sugar Act of 1948 (relating to termination of the powers of the Secretary under the Act) is amended (1) by striking out "December 31, 1960" and inserting in lieu thereof "March 31, 1961", (2) by inserting ", until March 31, 1961," after "power", and (3) by striking out "the crop year 1960 and previous crop years" and inserting in lieu thereof "any crop year beginning prior to March 31, 1961". ; and the Senate agree to the same.*

Amendment numbered 2:

That the House recede from its disagreement to the amendment of the Senate numbered 2, and agree to the same with an amendment as follows:

In lieu of the matter proposed to be stricken by the Senate amendment insert the following:

SEC. 2. Sections 4501(c) and 6412(d) (relating to the termination and refund of taxes on sugar) of the Internal Revenue Code of 1954 are amended by striking out "June 30, 1961" in each place it appears therein and inserting in lieu thereof "September 30, 1961".

And the Senate agree to the same.

Amendment numbered 5:

That the House recede from its disagreement to the amendment of the Senate numbered 5, and agree to the same with an amendment, as follows:

In lieu of the matter proposed to be inserted by the Senate amendment insert the following: *SEC. 3.*; and the Senate agree to the same.

Amendment numbered 6:

That the House recede from its disagreement to the amendment of the Senate numbered 6, and agree to the same with an amendment as follows:

Omit the matter proposed to be inserted by the Senate amendment and on page 2, line 20, of the House bill strike out "December 31, 1961" and insert in lieu thereof *March 31, 1961*; and the Senate agree to the same.

Amendment numbered 7:

That the House recede from its disagreement to the amendment of the Senate numbered 7, and agree to the same with an amendment as follows:

In lieu of the matter proposed to be stricken out by the Senate amendment insert *and for the three-month period ending March 31, 1961*; and the Senate agree to the same.

Amendment numbered 14:

That the House recede from its disagreement to the amendment of the Senate numbered 14, and agree to the same with an amendment as follows:

In lieu of the matter proposed to be inserted by the Senate amendment insert the following: *SEC. 4.*; and the Senate agree to the same.

That the House recede from its disagreement to the amendment of the Senate to the title of the bill and agree to the same.

HAROLD D. COOLEY,
W. R. POAGE,
CARL ALBERT,
CLARK W. THOMPSON,
CHARLES B. HOEVEN,
PAGE BELCHER,
CLIFFORD G. MCINTIRE,

Managers on the Part of the House.

RUSSELL B. LONG,
CLINTON P. ANDERSON,
WALLACE F. BENNETT,

Managers on the Part of the Senate.

STATEMENT OF THE MANAGERS ON THE PART OF THE HOUSE

The managers on the part of the House at the conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H.R. 12311) to extend for 1 year the Sugar Act of 1948, as amended, submit the following statement in explanation of the effect of the action agreed upon and recommended in the accompanying conference report:

The amendments made by the Senate had the effect of making two major changes in the House bill:

(1) They limited the effect of the bill to the calendar year 1960 only; and

(2) They changed from mandatory to permissive the directions contained in subparagraphs (i), (ii), and (iii) for foreign distribution of any reductions in Cuban quotas made pursuant to the bill.

The effect of the agreement reached by the conferees and embodied in the accompanying conference report is to—

(1) Extend the Sugar Act and the authority conferred on the President by this bill through March 31, 1961, and;

(2) Retain the mandatory character of the distribution to foreign countries of the House bill but provide that such distribution shall be by purchases from, rather than allocations to, such countries.

It is the intention of the conferees that in establishing quotas for the period January 1, 1961, through March 31, 1961, the Secretary of Agriculture will establish a quota for each area or country of one-fourth the quota which each country or area would have received had the act been extended in its present terms for 1 calendar year.

As part of the understanding reached by the conferees, it was agreed that the conferees on the part of the House would undertake to pass a sugar bill and transmit same to the Senate on the earliest possible date after the reconvening of the House in August.

HAROLD D. COOLEY,
W. R. POAGE,
CARL ALBERT,
CLARK W. THOMPSON,
CHARLES B. HOEVEN,
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And the Senate agree to the same.

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That the House recede from its disagreement to the amendment of the Senate numbered 6, and agree to the same with an amendment as follows:

Omit the matter proposed to be inserted by the Senate amendment and on page 2, line 20, of the House bill strike out "December 31, 1961" and insert in lieu thereof *March 31, 1961*; and the Senate agree to the same.

Amendment numbered 7:

That the House recede from its disagreement to the amendment of the Senate numbered 7, and agree to the same with an amendment as follows:

In lieu of the matter proposed to be stricken out by the Senate amendment insert *and for the three-month period ending March 31, 1961*; and the Senate agree to the same.

Amendment numbered 14:

That the House recede from its disagreement to the amendment of the Senate numbered 14, and agree to the same with an amendment as follows:

In lieu of the matter proposed to be inserted by the Senate amendment insert the following: *SEC. 4.*; and the Senate agree to the same.

That the House recede from its disagreement to the amendment of the Senate to the title of the bill and agree to the same.

HAROLD D. COOLEY,
W. R. POAGE,
CARL ALBERT,
CLARK W. THOMPSON,
CHARLES B. HOEVEN,
PAGE BELCHER,
CLIFFORD G. MCINTIRE,

Managers on the Part of the House.

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CLINTON P. ANDERSON,
WALLACE F. BENNETT,

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As part of the understanding reached by the conferees, it was agreed that the conferees on the part of the House would undertake to pass a sugar bill and transmit same to the Senate on the earliest possible date after the reconvening of the House in August.

HAROLD D. COOLEY,
W. R. POAGE,
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CLARK W. THOMPSON,
CHARLES B. HOEVEN,
PAGE BELCHER,
CLIFFORD G. MCINTIRE,
Managers on the Part of the House.

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The Supplemental Appropriation Act, 1961 (H.R. 12740)—Continued

H. Doc. No.	Department or activity	Budget estimates	House bill	Senate bill	Final action
DEPARTMENT OF THE INTERIOR					
403	Bureau of Indian Affairs:				
403	California Indians, tribal funds (trust funds).....	(\$500,000)	(\$500,000)	(\$500,000)	(\$500,000)
403	National Park Service: Construction.....	4,453,000	2,953,000	2,953,000	2,953,000
403	Administrative provision (Language).....	(Language)		(⁽¹⁾)	
403	Trust Territory of the Pacific Islands.....	400,000	400,000	400,000	400,000
	Total, Department of Interior.....	4,853,000	3,353,000	3,353,000	3,353,000
DEPARTMENT OF JUSTICE					
386	Federal Prison System: Support of U.S. prisoners (1960).....	200,000	200,000	200,000	200,000
LEGISLATIVE BRANCH					
	Senato:				
S. 111	Administrative and clerical assistants to Senators.....			13,200	13,200
S. 111	Joint Committee on inaugural ceremonies, 1961.....	250,000		250,000	250,000
	Miscellaneous items (1961).....	205,640		205,640	205,640
	House of Representatives: Payment to beneficiary of deceased Members.....		22,500	22,500	22,500
	Architect of the Capitol.....		5,000,000	(⁽¹⁾)	5,000,000
	Total, Legislative branch.....	455,640	5,022,500	491,340	5,491,340
DEPARTMENT OF STATE					
400	Administration of Foreign Affairs:				
400	Salaries and expenses.....	1,015,000		(⁽¹⁾)	
384	Representation allowances.....	27,000		(⁽¹⁾)	
	International commissions: International Boundary and Water Commission, United States and Mexico: Construction.....	256,000	225,000	5,256,000	5,225,000
	Total, Department of State.....	1,298,000	225,000	5,256,000	5,225,000
TREASURY DEPARTMENT					
403	Office of the Secretary: Subscription to the International Development Association.....	73,666,700		73,666,700	73,666,700
403	Bureau of the Public Debt: Administering the public debt (unobligated balance).....	(750,000)		(⁽¹⁾)	
403	Bureau of Customs: Salaries and expenses.....	800,000	720,000	720,000	720,000
403	Bureau of Engraving and Printing: Emergency repairs to the Bureau of Engraving and Printing Annex Building.....	1,500,000	1,250,000	1,250,000	1,250,000
386	Bureau of the Mint:				
	Salaries and expenses (1960).....	150,000		(⁽¹⁾)	
	Salaries and expenses.....	600,000	500,000	500,000	500,000
	Total, Treasury Department.....	76,716,700	2,470,000	76,136,700	76,136,700
	Grand total.....	169,327,840	49,738,200	166,324,740	138,293,740

¹ Deferred for consideration later.

AUTHORIZATION FOR SELECT COMMITTEE ON SMALL BUSINESS TO FILE REPORT WITH SECRETARY OF THE SENATE

Mr. RANDOLPH. Mr. President, I ask unanimous consent that the Select Committee on Small Business be authorized, during the recess of the Congress between the dates July 2, 1960, and August 8, 1960, to file with the Secretary of the Senate a report entitled "Impact of Imports on Small Business," together with individual views and appendix, if any, and that the report be printed.

The PRESIDING OFFICER. Without objection, it is so ordered.

MESSAGE FROM THE HOUSE

A message from the House of Representatives, by Mr. Maurer, one of its reading clerks, announced that the House had passed, without amendment, the following bills of the Senate:

S. 2674. An act to authorize the acquisition of certain lands for addition to Harpers Ferry National Monument, and for other purposes; and

S. 3247. An act to amend the act of September 9, 1959 (73 Stat. 473), to provide that payment for the lands covered by such act may be made on a deferred basis.

The message also announced that the House had passed the bill (S. 2932) to amend section 3568 of title 18, United States Code, to provide for reducing sentences of imprisonment imposed upon persons held in custody for want of bail

while awaiting trial by the time so spent in custody, with amendments, in which it requested the concurrence of the Senate.

EXTENSION OF SUGAR ACT OF 1948

Mr. JOHNSON of Texas. Mr. President, I move that the Senate proceed to the consideration of H.R. 12311.

The PRESIDING OFFICER. The bill will be stated by title.

The CHIEF CLERK. A bill (H.R. 12311) to extend for 1 year the Sugar Act of 1948, as amended.

The PRESIDING OFFICER. The question is on agreeing to the motion of the Senator from Texas.

The motion was agreed to, and the Senate proceeded to consider the bill.

Mr. JOHNSON of Texas. I yield to the Senator from New Mexico.

The PRESIDING OFFICER. The Senator from New Mexico.

Mr. ANDERSON. Mr. President, there are pending at the desk certain amendments, which I may state.

The first one is an amendment to the title, which probably should be stated last, but it would strike out the words "extend for one year" and insert the word "amend."

That is an attempt to keep it to 1960.

It would then, on page 1, strike out, beginning on line 3, everything on that page, and over, on page 2, strike out everything through line 17.

On page 2, line 18, it would strike "Sec. 5" and insert "That."

On page 2, line 21, it would strike "1961" and insert "1960."

On page 3, lines 3 and 4, it would strike "and for calendar year 1961."

On page 4, lines 15 and 16, it would strike "shall be allocated to or" and insert "may."

On page 5, line 4, it would strike the numeral "6" and insert the numeral "2" following the word "section."

The PRESIDING OFFICER. Does the Senator offer those as amendments to the bill?

Mr. ANDERSON. Those are amendments to the bill.

The bill extends the act for 1 year, 1960, for it requires that there be passed during the time when we are back in session in August, the extension of the Sugar Act.

It would grant the President full power, whether Congress is in session or not, to establish a sugar quota for Cuba for the remainder of 1960 at such levels as the President may from time to time believe to be in the national interest.

There are some additional provisions in the House bill. If Senators desire to discuss them, I shall be glad to do so, but if it is desired to get a sugar bill enacted before we recess, this is the only way to do it.

This proposal will grant to a number of countries, including Panama and others I cannot now recall, 10,000 short tons instead of the present provision, which gives them 3,000 tons. It provides that after that is done the Republic of the Philippines shall have 15 percent of

any additional amount that is saved, if I may use that term, by reduction of the Cuban quota.

It then provides that the President may purchase whatever is remaining from some other foreign countries; but this does not become permanent or an allocable right for the future.

Mr. AIKEN. Mr. President, will the Senator yield?

Mr. ANDERSON. I yield.

Mr. AIKEN. Does the bill quote the price which may be paid to other countries?

Mr. ANDERSON. No.

Mr. AIKEN. I have in mind the country of Brazil, which has had a surplus of sugar. If it were deemed necessary or feasible to purchase any of the sugar from Brazil to make up what was not coming from Cuba, would Brazil get the world market price or the price paid to the other countries?

Mr. ANDERSON. There is no provision as to exact price other than the provision that the President may do the purchasing. I would think the President, having had a little experience with the purchasing of sugar, would have to meet the Cuban price in the case of a country like Brazil, and not buy it at the world price. That, however, is a matter for the President.

There are floating the world probably 500,000 tons of sugar that could be picked up if there was a shortage as a result of a reduction of Cuban sugar. I imagine the President would authorize the Secretary of Agriculture to do the purchasing.

Mr. AIKEN. Brazil alone has 500,000 tons surplus, if we decided to buy it there, but it would be a rather severe blow to our foreign policy if we were to pay 3 cents a pound in the Dominican Republic and in other countries 2 cents.

Mr. ANDERSON. The matter of handling foreign policy is within the discretion of the President. I am quite sure the President would not permit the Secretary of Agriculture to do something to disturb our foreign policy.

Mr. AIKEN. Then the President would have full authority to pay the same price, in purchasing, let us say, from Brazil, as he would have to pay to the Latin American countries with quotas?

Mr. ANDERSON. The President would have authority to purchase at a price he deemed proper.

Mr. AIKEN. I thank the Senator.

Mr. CASE of South Dakota. Mr. President, will the Senator yield?

Mr. ANDERSON. I am happy to yield to the Senator from South Dakota.

Mr. CASE of South Dakota. The distinguished Senator from New Mexico certainly knows the whole agricultural field well, both from his service on the committees of the Congress and from his service as Secretary of Agriculture. Does the Senator think it is more important to enact sugar legislation at this time than to enact wheat legislation?

Mr. ANDERSON. I think the Senator from South Dakota has asked me a strange question. I can only say that I was not enthusiastic about the resolution of the Finance Committee. I cast a vote

against it. However, I think it is important to give to the President of the United States authority to deal with the sugar situation. I recognize that the bill is now in a shape which is not the final shape I should like to see it in, but I know of no other way we can grant to the President of the United States the authority he wishes to have, which I think he needs.

Mr. CASE of South Dakota. Mr. President, yesterday I presented to the Senate and there has been printed an amendment to the bill H.R. 12311. It is an amendment which would add to the sugar bill the wheat bill which was passed by the Senate of the United States, with some modifications in the percentage of parity support, the percentage of acreage to be withdrawn, and the payment in kind.

The Senate passed the bill providing for a 75-percent loan, while the amendment I offer would have provided 77 percent. The reduction in acreage was 20 percent in the bill as it passed the Senate, and I proposed 22 percent. The Senate-passed bill proposed a 50-percent payment in kind, and I proposed a 55-percent payment in kind.

All three of those provisions are a step or a move in the direction of the bill which seemed to have favor with the Committee on Agriculture in the House of Representatives. In all other respects, the bill is identical with the bill which passed the Senate.

It seems to me that if the House wishes to hold to a firm position with respect to its approach to the sugar situation, possibly the Senate ought to give the House an opportunity to pass on a wheat bill.

I will say further that the wheat bill which was passed by the Senate almost passed the House. In the House, when a motion to recommit was made, the Senate-passed bill was defeated by only 16 votes. The vote was 211 to 195. A change of nine votes would have meant we would have had wheat legislation.

The Senator from South Dakota is reluctant to state that it is more important to pass sugar legislation than to pass wheat legislation, especially in view of the fact that the farmers in soft wheat areas will, before long, be making their plantings and planning for their next crop. If the House-passed sugar bill is to be presented and considered at this time, it seems to me we should consider the amendment which has been printed, which was filed yesterday, dealing with wheat.

Mr. ANDERSON. I say to the Senator from South Dakota, first, that the House did not try to pass the same bill which the Senate passed. Therefore, if we send this bill to the House with the wheat amendment added to it, we will give many Members of the House, who are anxious to "do it in," an opportunity to kill the sugar bill. That would not be the worst disaster, from my standpoint, so far as my own individual State is concerned, but the President of the United States has indicated to the Congress that he wishes to have authority to deal with the Cuban situation. I think it is far more important to give to the President the authority which he has asked for,

even if we do not like the sugar bill provisions, than to load the bill with amendments which might be offensive to the whole program.

Mr. CASE of South Dakota. Mr. President, will the Senator yield further?

Mr. ANDERSON. I yield.

Mr. CASE of South Dakota. Does the Senator believe that if we take up general sugar legislation when we return in August there will be any opportunity at that time to give consideration to the wheat bill?

Mr. ANDERSON. The able chairman of the Committee on Agriculture and Forestry is far more competent to pass on that question than I. I hope many things may be considered in August. I would certainly not wish to make any commitment as to what the fine Committee on Agriculture and Forestry will do.

When the Sugar Act extension is before the Senate—and there must be one in August—I think the Senator from South Dakota would be well within his rights to offer a wheat amendment at that time. The necessity for dealing with the Cuban situation will have passed by that time.

Mr. CASE of South Dakota. Will the Senator yield to me for the purpose of asking unanimous consent to have printed in the RECORD at this point the amendment which I propose to offer? I shall not offer it as an amendment at this time, but I should like to have it printed in the RECORD for the information of the Senate.

Mr. ANDERSON. Mr. President, I ask unanimous consent that that may be done.

There being no objection, the amendment was ordered to be printed in the RECORD, as follows:

TITLE I—PRICE SUPPORT AND ALLOTMENTS

SEC. 101. Title I of the Agricultural Act of 1949, as amended, is amended by adding the following new sections:

"SEC. 107. (a) Notwithstanding the provisions of section 101 of this Act, for each of the 1961, 1962, and 1963 crops of wheat price support shall be made available as provided in this section. The support price for each such crop shall be 77 per centum of the parity price therefor. Price support under the foregoing provision of this section shall be made available only to cooperators, only in the commercial wheat-producing area, and only if producers have not disapproved marketing quotas for the crop. In case marketing quotas are disapproved, price support to cooperators shall be as provided in section 101(d)(3).

"(b) If marketing quotas are in effect for the particular crop of wheat, wheat of any such crop, and any other commodity produced on a farm to which a wheat marketing quota is applicable and in the calendar year in which wheat of any such crop is normally harvested, shall be eligible for price support only if—

"(1) the farm is in compliance with the farm wheat acreage allotment for such crop;

"(2) the total acreage on the farm devoted to the production of nonconserving crops as determined by the Secretary which would normally be harvested in the calendar year in which such wheat crop is normally harvested does not exceed the total average annual acreage on the farm devoted to the production of such nonconserving crops for harvest in 1958 and 1959, less an acreage equal to 22 per centum of the farm acreage allotment for such crop of wheat which would

be in effect for the farm except for the reduction thereof as provided in section 334(c)(2) of the Agricultural Adjustment Act of 1938, as amended; and

"(3) the producers on the farm in accordance with regulations prescribed by the Secretary—

"(i) designate an acreage on the farm equal to the 22 per centum reduction in the farm acreage allotment required under section 334(e)(2) of the Agricultural Adjustment Act of 1938, as amended, for the particular crop of wheat, and

"(ii) do not produce any crop thereon which is normally harvested in the calendar year in which the particular crop of wheat is normally harvested and do not graze such acreage during such year.

A farm shall be deemed in compliance with the requirements of clauses (1) and (2) if no crop not subject to acreage allotments is produced on the farm for harvest, and the farm is in compliance with the farm acreage allotments. In accordance with regulations prescribed by the Secretary, the acreage of such nonconserving crops for harvest in 1958 and 1959 may be adjusted to the extent the Secretary determines appropriate for abnormal weather conditions, established crop rotation practices for the farm, changes in the constitution of the farm, participation in soil bank or Great Plains programs, or to give effect to the provisions of law relating to release and reapportionment or preservation of history, and such other factors as the Secretary may deem appropriate. For the purposes of eligibility for price support a producer shall not be deemed to have violated any of the foregoing conditions unless the producer knowingly violated such condition, but the Secretary may provide by regulation for adjusting any payment in kind under subsection (c) or (d) on account of any violation of any such condition or any other condition of eligibility for such payment. For the purposes of this section a wheat marketing quota shall not be deemed to be applicable to any farm exempt from wheat marketing quotas under item (7) of Public Law 74, Seventy-seventh Congress, as amended (7 U.S.C. 1340 (7)) or exempt from wheat marketing penalties under section 335(f) of the Agricultural Adjustment Act of 1938, as amended (7 U.S.C. 1335 (f)).

"(c) Producers of wheat meeting the foregoing conditions of eligibility for price support for any calendar year shall be entitled for such year to a wheat payment in kind from Commodity Credit Corporation stocks equal in value to 55 per centum of the average annual yield in bushels of wheat per harvested acre on the farm for the three years immediately preceding the year for which the designation is made, adjusted for abnormal weather conditions and as determined under regulations prescribed by the Secretary multiplied by the number of designated acres. Such wheat may be marketed without penalty but shall not be eligible for price support. The payment in kind shall be made by the issuance of a negotiable certificate which Commodity Credit Corporation shall redeem in wheat equal in value to the value of the certificate. The certificate shall have a value equal to the number of bushels determined as aforesaid multiplied by the basic county support rate per bushel for number one wheat of the crop normally harvested in the year for which the acreage is designated and for the county in which the designated acreage is located. The wheat redeemable for such certificate shall be valued at the market price thereof as determined by Commodity Credit Corporation. The Secretary shall provide by regulation for the sharing of a certificate among producers on the farm on a fair and equitable basis. The acreage designated under this section shall be in addition to any acreage devoted to the conservation reserve program.

"(d) If marketing quotas are in effect for the 1961 crop of wheat and the producers on the farm agree to meet the requirements of subsection (b) for 1961, 1962, and 1963, and, in accordance with regulations prescribed by the Secretary—

"(1) designate an acreage on the farm equal to not less than 22 per centum nor more than 100 per centum of the acreage allotment which would be in effect for the farm for the 1961 crop of wheat except for the reduction thereof as provided in section 334(c)(2) of the Agricultural Adjustment Act of 1938, as amended, and do not produce any crop thereon which is normally harvested in the calendar years 1961, 1962, and 1963 and do not graze such acreage during such years, but devote such acreage to soil and water conserving uses;

"(2) reduce the number of acres so designated the acreage of wheat on the farm in each such year below the acreage allotment which would be in effect for the farm for such year except for the reduction thereof as provided in section 334(c)(2) of the Agricultural Adjustment Act of 1938, as amended; and

"(3) reduce by the number of acres so designated the acreage of nonconserving crops on the farm in each such calendar year below the average annual acreage on the farm devoted to the production of such nonconserving crops for harvest for 1958 and 1959 adjusted as provided in subsection (b), such producers shall be entitled to a wheat payment in kind, in lieu of the payment provided by subsection (c), for each such year from Commodity Credit Corporation stocks equal in value to 55 per centum of the average annual yield in bushels of wheat per harvested acre on the farm for the three years 1958 through 1960, adjusted for abnormal weather conditions and as determined under regulations prescribed by the Secretary, multiplied by the number of designated acres. Such wheat may be marketed without penalty but shall not be eligible for price support. The payment in kind shall be made by the issuance of a negotiable certificate which Commodity Credit Corporation shall redeem in wheat equal in value to the value of the certificate. The certificate shall have a value equal to the number of bushels determined as aforesaid multiplied by the basic county support rate per bushel for number one wheat of the crop normally harvested in the year for which the payment is made and for the county in which the designated acreage is located. The wheat redeemable for such certificate shall be valued at the market price thereof as determined by the Commodity Credit Corporation. The Secretary shall provide by regulation for the sharing of a certificate among producers on the farm on a fair and equitable basis. The share of any producer in certificates issued under this subsection with respect to any year and with respect to all farms in which he has an interest, based on the face value of the certificates, shall not exceed the greater of (1) \$10,000, or (2) such producer's share of payments made under this subsection for acreage required to be designated either in 1961 or in such year as a condition of price support. If such producers fail to comply with the requirements of this subsection for all or any part of the three year period, such producers shall forfeit or refund in cash all or such part of the payments provided for by this subsection as the Secretary determines to be fair and equitable and prescribes by regulation. The acreage on any farm which is determined under regulations of the Secretary to have been diverted from the production of wheat by reason of designation under this subsection shall be considered acreage devoted to wheat for the purposes of establishing future State, county, and farm acreage allotments under the Agricultural Adjustment Act of 1938, as amended. In ap-

plying the provisions of paragraph (6) of Public Law 74, Seventy-seventh Congress (7 U.S.C. 1340(6)), and section 328(b) of the Agricultural Adjustment Act of 1938, as amended (7 U.S.C. 1326(b)), relating to reduction of the storage amount of wheat that part of the acreage designated under this subsection in excess of the 22 per centum reduction required under section 334(c)(2) of the Agricultural Adjustment Act of 1938 on any farm shall be regarded as wheat acreage on the farm of normal production as that term is defined in section 301(b)(9) of the Agricultural Adjustment Act of 1938, as amended (7 U.S.C. 1301(b)(9)).

"SEC. 108. Notwithstanding the provisions of section 101 or 107 of this Act or any provision of the Agricultural Adjustment Act of 1938, if marketing quotas are disapproved for the 1961 crop of wheat, the level of price support to cooperators and noncooperators for the 1961 crop and each subsequent crop of wheat shall be 50 per centum of the parity price of wheat and no national marketing quota or acreage allotment shall be proclaimed with respect to any subsequent crop of wheat: *Provided*, That if price support at 50 per centum of the parity price is in effect under this section the current price support for wheat, for the purposes of section 407 of the Agricultural Act of 1949, as amended, shall be determined on the basis of a price support level for wheat of 77 per centum of the parity price therefor."

SEC. 102. (a) Item (1) of Public Law 74, Seventy-seventh Congress, as amended, is amended, effective beginning with the 1961 crop of wheat, to read as follows:

"(1) If a national marketing quota for wheat is in effect for any marketing year, farm marketing quotas shall be in effect for the crop of wheat which is normally harvested in the calendar year in which such marketing year begins. The farm marketing quota for any crop of wheat shall be the actual production of the acreage planted to such crop of wheat on the farm less the farm marketing excess. The farm marketing excess shall be an amount equal to double the normal yield of wheat per acre established for the farm multiplied by the number of acres planted to such crop of wheat on the farm in excess of the farm acreage allotment for such crop unless the producer, in accordance with regulations prescribed by the Secretary and within the time prescribed therein, establishes to the satisfaction of the Secretary the actual production of such crop of wheat on the farm. If such actual production is so established the farm marketing excess shall be such actual production less the actual production of the farm wheat acreage allotment. Actual production of the farm wheat acreage allotment shall mean the actual average yield per harvested acre of wheat on the farm multiplied by the number of acres constituting the farm acreage allotment. In determining the actual average yield per harvested acre of wheat and the actual production of wheat on the farm any acreage utilized for feed without threshing after the wheat is headed, or available for such utilization at the time the actual production is determined, shall be considered harvested acreage and the production thereof in terms of grain shall be appraised in accordance with regulations prescribed by the Secretary and such production included in the actual production of wheat on the farm. The acreage planted to wheat on a farm shall include all acreage planted to wheat for any purpose and self-seeded (volunteer) wheat, but shall not include any acreage that is disposed of prior to harvest in accordance with regulations prescribed by the Secretary."

(b) Item (2) of Public Law 74, Seventy-seventh Congress, as amended, is amended, effective beginning with the 1961 crop of wheat, to read as follows:

"(2) During any marketing year for which quotas are in effect, the producer shall be subject to a penalty on the farm marketing excess of wheat. The rate of the penalty shall be 65 per centum of the parity price per bushel of wheat as of May 1 of the calendar year in which the crop is harvested."

(c) Item (3) of Public Law 74, Seventy-seventh Congress, as amended, is amended, effective beginning with the 1961 crop of wheat, to read as follows:

"(3) The farm marketing excess for wheat shall be regarded as available for marketing, and the penalty and the storage amount or amounts of wheat to be delivered to the Secretary shall be computed upon double the normal production of the excess acreage. If the farm marketing excess so computed is adjusted downward on the basis of actual production, the difference between the amount of the penalty or storage computed on the basis of double the normal production and as computed on actual production shall be returned to or allowed the producer or a corresponding adjustment made in the amount to be delivered to the Secretary if the producer elects to make such delivery. The Secretary shall issue regulations under which the farm marketing excess of wheat for the farm shall be stored or delivered to him. Upon failure to store, or deliver to the Secretary, the farm marketing excess within such time as may be determined under regulations prescribed by the Secretary the penalty computed as aforesaid shall be paid by the producer. Any wheat delivered to the Secretary hereunder shall become the property of the United States and shall be disposed of by the Secretary for relief purposes in the United States or foreign countries or in such other manner as he shall determine will divert it from the normal channels of trade and commerce."

(d) Item (7) of Public Law 74, Seventy-seventh Congress, as amended (7 U.S.C. 1340 (7)), is amended to read as follows:

"(7) A farm marketing quota on any crop of wheat shall not be applicable to any farm on which the acreage planted to wheat for such crop does not exceed fifteen acres: *Provided, however*, That a farm marketing quota on the 1961 and subsequent crops of wheat shall be applicable to—

"(i) any farm on which the acreage of wheat exceeds the smaller of (1) twelve acres or (2) the highest number of acres planted to wheat on the farm for harvest in the calendar years 1956, 1957, 1958, 1959, or 1960; and

"(ii) any farm on which any wheat is planted if any of the producers who share in the wheat produced on such farm share in the wheat produced on any other farm."

(e) Item (12) of Public Law 74, Seventy-seventh Congress, as amended (7 U.S.C. 1340(12)), is repealed, effective beginning with the 1961 crop of wheat.

(f) Section 326(b) of the Agricultural Adjustment Act of 1938, as amended, is amended, effective beginning with the 1961 crop of wheat, to read as follows:

"(b) If a farm is in compliance with its farm acreage allotment for any crop of wheat and the actual production of such crop of wheat on the farm is less than the normal production of the farm wheat acreage allotment, an amount equal to the deficiency may be marketed without penalty from wheat of previous crops stored by the producers on the farm to postpone the payment of marketing quota penalties."

Sec. 103. The Agricultural Adjustment Act of 1938, as amended, is amended as follows:

(a) Section 334 is amended by inserting "(1)" after "(c)" and adding a new subparagraph (2) following subparagraph (c) (1) to read as follows:

"(2) Notwithstanding any other provision of law, each old or new farm acreage allotment for the 1961 and subsequent crops of wheat as determined on the basis of a

minimum national acreage allotment of fifty-five million acres shall be reduced by 22 per centum. In the event notices of farm acreage allotments for the 1961 crop of wheat have been mailed to farm operators prior to the effective date of this subparagraph (2) new notices showing the required reduction shall be mailed to farm operators as soon as practicable."

(b) Section 334(e) is amended to read as follows:

"(e) If, with respect to any crop of wheat, the Secretary determines that the production of any kind of wheat will be inadequate to provide a sufficient quantity of that kind of wheat to satisfy the demand therefor, the wheat acreage allotment (and the number of acres which may be planted under item (7) (i) of Public Law 74, Seventy-seventh Congress, without making a farm marketing quota applicable to the farm) for such crop for each farm located in a county which has produced such wheat for commercial food products during one or more of the five years immediately preceding the year in which such crop is harvested, shall be increased by such uniform percentage as he deems necessary to provide for such quantity. No increase shall be made under this subsection in the wheat acreage allotment of any farm (or in the acreage which may be planted without making a farm marketing quota applicable to the farm) for any crop if any kind of wheat other than that for which the increase is made is planted on such farm for such crop. Any increases in wheat acreage allotments authorized by this subsection shall be in addition to the National, State, and county wheat acreage allotments, and such increases shall not be considered in establishing future State, county, and farm allotments. The provisions of paragraph (6) of Public Law 74, Seventy-seventh Congress (7 U.S.C. 1340(6)), and section 326(b) of this Act, relating to the reduction of the storage amount of wheat shall apply to the allotment for the farm established without regard to this subsection and not to the increased allotment under this subsection, except that any farm in compliance with its increased allotment under this subsection shall be considered in compliance with its farm acreage allotment for the purposes of said section 326(b). Any farm receiving an increased allotment under this subsection shall be excused from complying with clauses (2) and (3) of section 107(b) of the Agricultural Act of 1949 to the extent deemed appropriate by the Secretary to provide for the increase in allotment under this subsection, and no farm on which acreage is designated pursuant to section 107(b)(3) or 107(d) of the Agricultural Act of 1949 in a greater amount than required as a condition of price support for any crop shall be eligible for an increased allotment under this subsection for such crop."

(c) Subsection (f) of section 335 is amended by striking out the semicolon at the end of item (1) and adding "and shall not apply to other farms with respect to the 1961 and subsequent crops;"

(d) Section 336 is amended to read as follows:

"Sec. 336. Between the date of issuance of any proclamation of any national marketing quota for wheat and July 25 of the year in which the proclamation is made the Secretary shall conduct a referendum by secret ballot to determine whether farmers favor or oppose such quota. Farmers eligible to vote in such referendum shall be farmers who were engaged in the production of the crop of wheat normally harvested in the calendar year immediately preceding the calendar year in which the referendum is held on a farm in the commercial wheat-producing area for such crop and on which more than twelve acres was planted to wheat of such crop if such crop was the 1961, 1962, or 1963 crop, or on which more than fifteen

acres was planted to wheat of such crop if such crop was any crop other than the 1961, 1962, or 1963 crop. Any acreage considered as being devoted to wheat in establishing future allotments under applicable provisions of law shall be considered as wheat-producing acreage for the purpose of determining eligibility to vote. If the Secretary determines that more than one-third of the farmers voting in the referendum oppose such quota he shall prior to the effective date of such quota by proclamation suspend the operation of the national marketing quotas with respect to wheat."

(e) Section 362 is amended by deleting the second sentence thereof.

(f) Subsections (b) and (c) of section 335 are hereby repealed and subsection (d) of said section is repealed effective beginning with the 1961 crop of wheat.

(g) The first proviso of section 377 is amended by striking out "Provided, That beginning with the 1960 crop" and inserting in lieu thereof "Provided, That beginning with the 1964 crop in the case of wheat and the 1960 crop in the case of any other commodity".

SEC. 104. Section 101(d) of the Agricultural Act of 1949, as amended, is amended by—

(A) striking out paragraph (5); and

(B) amending paragraph (7) to read as follows:

"(7) No price support shall be made available for any crop of wheat for which acreage allotments are not in effect and no price support shall be made available for any crop of wheat in any State designated under section 335(e) of the Agricultural Adjustment Act of 1938, as amended, as outside the commercial wheat-producing area for such crop."

TITLE II—AMENDMENTS TO GREAT PLAINS PROGRAM

SEC. 201. Section 16 of the Soil Conservation and Domestic Allotment Act of 1938, as amended, is amended as follows:

(1) Paragraph (3) of subsection (b) is amended to read as follows:

"(3) insofar as the acreage of cropland on any farm enter into the determination of acreage allotments and marketing quotas under the Agricultural Adjustment Act of 1938, as amended, the cropland acreage on the farm shall not be decreased during the period of any contract heretofore or hereafter entered into under this subsection by reason of any action taken for the purpose of carrying out such contract and, under regulations of the Secretary, shall not be decreased, for such period after the expiration of the contract as is equal to the period of the contract, by reason of the the maintenance of any change in land use from cultivated cropland to permanent vegetation carried out under the contract;"

(2) Paragraph (4) of subsection (b) is amended to read as follows:

"(4) the acreage on any farm which is determined under regulations of the Secretary to have been diverted from the production of any commodity subject to acreage allotments or marketing quotas in order to carry out any contract heretofore or hereafter entered into under the program or in order to maintain, for such period after the expiration of the contract as is equal to the period of the contract, any change in land use from cultivated cropland to permanent vegetation carried out under the contract shall be considered acreage devoted to the commodity for the purposes of establishing future State, county, and farm acreage allotments under the Agricultural Adjustment Act of 1938, as amended;"

Mr. CURTIS. Mr. President, will the distinguished Senator from New Mexico yield?

Mr. ANDERSON. I yield to the Senator from Nebraska.

Mr. CURTIS. I should like to ask the distinguished Senator from New Mexico a couple of questions, inasmuch as the amendments were not printed.

Is it the intent of the amendments that the bill shall contain powers granted to the President for the calendar year 1960 to deal with the Cuban situation, but not to extend the Sugar Act beyond its present expiration date?

Mr. ANDERSON. The Senator from Nebraska has stated the situation correctly. There are some additional provisions.

Mr. CURTIS. I understand.

Mr. ANDERSON. Those relate to the 1960 situation, for the Philippines and some other countries.

Mr. CURTIS. I understand.

Mr. ANDERSON. The Senator from Nebraska has stated the purpose of the amendments correctly.

Mr. CURTIS. I appreciate the Senator's yielding to me. I shall not take a great deal of time. I merely wish to say that I believe the Senate should insist upon the right to legislate on the sugar problem. I hope the other body will send us a bill before the closing days of the August session.

Mr. MORSE and Mr. BENNETT addressed the Chair.

Mr. ANDERSON. I yield to the Senator from Oregon.

Mr. MORSE. Mr. President, I should like to have the floor in my own right.

Mr. ANDERSON. I should be happy to yield the floor.

Mr. McCARTHY. Mr. President, will the Senator yield?

Mr. ANDERSON. I am glad to yield to the Senator from Minnesota.

Mr. McCARTHY. Is it not correct to say that the bill which came from the House would attempt to deal with allocating quotas for next year, and that the compromise now being presented to the Senate would deal only with the allocation of the deficit which might result from action taken by the President in cutting off imports from Cuba?

Mr. ANDERSON. That is correct.

Mr. McCARTHY. What we attempt to do is to provide some limitation under which the President must allocate or must purchase sugar to make up the deficit which may result if we cut off imports from Cuba?

Mr. ANDERSON. I think I would rather have the Senator use the terminology under which the President may purchase sugar, rather than allocate it.

Mr. McCARTHY. The President may purchase sugar.

Mr. ANDERSON. That is correct.

Mr. McCARTHY. There is a determination as to the proportion the President may purchase.

Mr. ANDERSON. That is correct.

Mr. McCARTHY. We shall return in August and deal with the question of the allocation of quotas, domestic, and foreign, for the fiscal year 1961, and possibly for future years.

Mr. ANDERSON. The Senator is correct.

Mr. McCARTHY. I think this is a very good compromise. I represent a

State which I think has at least the fifth largest beet sugar acreage, some 80,000 acres, and I believe this compromise for the rest of the year 1960 should be agreed to.

Several Senators addressed the Chair.

Mr. MANSFIELD. Mr. President, will the Senator yield to me?

Mr. ANDERSON. I yield to the Senator from Montana.

Mr. MANSFIELD. Would this provision apply to other countries outside of Cuba, so far as quotas are concerned?

Mr. ANDERSON. There would be some change outside of Cuba under the House bill. It provides that five of the very small countries will be given an increase from 3,000 to 10,000 tons. That was provided in the House bill. There is a provision for the Philippines.

In a general sense, the Senator is correct. There is no real change, except as savings are to be made because of the Cuban reduction.

Mr. MANSFIELD. Following up the question asked by the Senator from Vermont, would this apply to new countries, that is, countries now not under the quota system? Could it apply to them?

Mr. ANDERSON. The President is allowed to buy from the countries having quotas. Then there is language that if additional amounts of sugar are required the President may authorize the purchase of such amounts from any foreign country, without allocation.

Mr. MANSFIELD. At his discretion?

Mr. ANDERSON. It is in the discretion of the President.

Mr. BENNETT. Mr. President, will the Senator yield?

Mr. ANDERSON. I am happy to yield to the Senator from Utah.

Mr. BENNETT. I should like to make a brief statement with respect to the Sugar Act. I had a great deal to do with the resolution which was offered yesterday and which was amended today before it was sent over to the House and then rejected. The language of that resolution was largely taken from page 3 of the bill, so the language we are sending over to the House is the approximate language that we would have sent over if we had not stricken it out of our own resolution before it went over, with the exception of the priorities set up in limiting the right of the President to acquire sugar to make up any deficit created by any action with respect to Cuba.

The Senator from Utah is perfectly willing to accept the proposal of the Senator from New Mexico as the best kind of solution we can get under the circumstances, but he wishes to make perfectly clear that in making this decision, we are giving up the sugar bill we had before us, and we are making it necessary for the House to act again on another sugar bill before the Senate acts, or for the Senate to attach sugar legislation on some bill that may come to us from the Ways and Means Committee rather than from the Committee on Agriculture.

Mr. JOHNSON of Texas. Mr. President, will the Senator from New Mexico yield?

Mr. ANDERSON. Before I yield, I wish to say to the Senator from Utah that I subscribe to what he has said. I recognize the situation in which the action proposed would put the Senate, and I agree with the Senator from Utah that it would be an undesirable position. The Senator from Utah asked me a number of times for assurances that I was unable to give him. I am informed that there are now on the Senate Calendar measures pertaining to revenue that originated in the House Ways and Means Committee, that have passed the House, and have been reported by the Senate Finance Committee, and if in the wisdom of that committee they decide that they wish to evolve a sugar bill when we return in August, they could offer whatever bill the committee reported as an amendment to Order No. 1679, H.R. 9962—

Mr. BENNETT. Or any other measure.

Mr. JOHNSON of Texas. There are two or three measures. There are Calendar No. 1820, H.R. 5054, Calendar No. 1678, H.R. 10, Calendar No. 1679, H.R. 9662, and Calendar No. 1638. I do not think the Senate has given up the right to legislate in view of the fact that we have these bills on the calendar and in view of the parliamentary situation.

Mr. BENNETT. If the leader has checked with the House so that we in the Senate may be sure that if we add a sugar bill to one of the bills which the Senator from Texas cited to us, and send it back to the House, the House would not then rule it out of order because it was not attached to a bill that originated in the House Agriculture Committee, that is some assurance. That is the point that worries the Senator from Utah.

Mr. JOHNSON of Texas. We have bills from the Committee on Agriculture, too, I am informed, which we could add to a House bill, and that would be in order.

Mr. BENNETT. With this legislative history, I think members of the Finance Committee could go to work on a sugar bill as soon as they return in August and at least be prepared when we find a suitable vehicle to carry the proposed legislation.

Mr. JOHNSON of Texas. Mr. President, will the Senator yield?

Mr. ANDERSON. I yield.

Mr. JOHNSON of Texas. I certainly hope that what the Senator from Utah states would be the case.

Mr. BENNETT. I would assume that the majority leader would work with the committee to make it possible.

Mr. JOHNSON of Texas. The Senator from Utah may be sure of my cooperation.

Mr. HOLLAND. Mr. President, will the Senator yield?

Mr. ANDERSON. I am happy to yield to the Senator from Florida.

Mr. HOLLAND. The Senator from New Mexico knows that I am not a member of the Finance Committee, and therefore could not have the grasp of this legislation which the Senator has. I would like to have him advise me, however, if I am correct in my understanding that, unless the President is given

the power he has requested, during the interim between now and the return of Congress it might well be that two things would happen:

First, that from Cuban sources there might be sent to this country—and undoubtedly there will be sent—large shipments of sugar which would both disrupt the domestic market and also tend to fill, or even fully fill, the Cuban quota for the year 1960?

Mr. ANDERSON. I think that statement is correct. I think such a view has been borne out by testimony given, at least to me, by people who I know are fully conversant with the sugar situation.

Mr. HOLLAND. Is it not possible that if not given power to act, the President might have to stand by supinely and see the allocation of sugar to Cuba to be furnished in 1960 raised or increased by reason of the assignment to Cuba under present law of certain deficits that will occur in the near future?

Mr. ANDERSON. The Senator is correct.

Mr. HOLLAND. Therefore, without the passage of such legislation, at least two things with reference to the supply of sugar to this Nation might happen that would be highly favorable to Cuba which might not be within the best interests of this country.

Mr. ANDERSON. I agree thoroughly with the Senator.

Mr. HOLLAND. Mr. President, if the Senator will allow me to make a brief statement, I should like to say that my State, as the Senator knows, produces some cane sugar. We have a very real interest in this subject. But I am very certain that the sugar-producing industry of my State would not want such situations as I have just outlined in my questions, and as have been substantiated by the Senator from New Mexico, to continue to exist for failure of the Congress to pass legislation requested by the President. While this legislation far from fulfills the expectations of the sugar industry of my State, and I am sure of the sugar industry of the Nation, I feel that the Senate should adopt the amendment so ably presented by the Senator from New Mexico.

Mr. RUSSELL. Mr. President, will the Senator yield?

Mr. ANDERSON. I yield to the Senator from Georgia.

Mr. RUSSELL. I merely wish to extend to the distinguished Senator from New Mexico my earnest and sincere congratulations and commendation for the great and patriotic service he has rendered in presenting these amendments to the Senate this evening.

I sat in some of the conferences that led up to the amendments, merely in the capacity of an amanuensis, or to discuss rules and draftmanship. I know that the Senator from New Mexico is not at all happy about the proposed legislation, but he is offering these amendments in the national interest. I say that when we are faced with a situation such as confronts this country today from the meanderings of his mind and the exercise of the great power that has fallen into the hands of Fidel Castro, it is high

time that the Congress should give to the President of the United States the authority to show that this country does not appreciate the constant attacks made and the slander heaped upon us by the man who at the present time is in control of the power of government in Cuba.

The Senator has rendered many services over many years, but I do not think anyone has ever shown a finer spirit of patriotism than has the Senator by submerging his own personal views and bringing these amendments before us this evening. I hope the Senate will agree to them.

So far as I am concerned, I think that patience has ceased to be a virtue in dealing with the present situation in Cuba, and I hope the President of the United States will exercise the powers granted to him in the national interest, and to show the way our people feel about the constant heaping upon us of abuse and slander.

Mr. DIRKSEN. Mr. President, will the Senator yield?

Mr. ANDERSON. I yield.

Mr. DIRKSEN. I fully concur in the observations made by the distinguished Senator from Georgia. I have sat in the conferences, and I know the Senator from New Mexico is not half satisfied with this matter. I may say that the distinguished Senator from Utah, who comes from a sugar area, is not entirely satisfied. He has also rendered yeoman service in this field. I think I can tell the Senate with some authority that the bill would be acceptable to the Executive and it would be signed. It is not all we want, but it does give an opportunity to work our will in this matter when we return after the recess in August.

Mr. YARBOROUGH. Mr. President, will the Senator yield?

Mr. ANDERSON. I yield.

Mr. YARBOROUGH. I desire to ask the distinguished Senator from New Mexico if H.R. 12311, as passed by the House, did not provide that of the new production gained by cutting Cuba's sugar quota, 75 percent would be allocated to new domestic production in areas in this country.

Mr. ANDERSON. Yes.

Mr. YARBOROUGH. Do the amendments offered by the distinguished Senator from New Mexico cut out that 75 percent?

Mr. ANDERSON. Yes, they do.

Mr. YARBOROUGH. Under that explanation, that may be allocated back to the domestic areas which can use it; in other words, to the old domestic areas. Is that correct?

Mr. ANDERSON. No. I do not believe it would be allocated back to existing areas. We have eliminated all of section 4. It relates to 1960.

Mr. YARBOROUGH. I fully concur with the distinguished Senator from Georgia with reference to protecting America from Fidel Castro.

Mr. ANDERSON. If the Senator will stay with me in August, we will give fits to Castro, but this is not the time to do it.

Mr. YARBOROUGH. Does the House bill give him fits?

Mr. ANDERSON. This is not the time.

Mr. YARBOROUGH. What would the amendments of the distinguished Senator from New Mexico do except take quotas away from one area in the United States and give them to another?

Mr. ANDERSON. They do not touch the areas in the United States in that respect.

Mr. YARBOROUGH. Seventy-five percent of the production is taken out of the bill as passed by the House.

Mr. ANDERSON. Yes; but we are not trying to reallocate the American crop, or I would be here another 6 weeks on this bill.

Mr. YARBOROUGH. Wherein do the amendments change the situation one iota insofar as Cuba is concerned?

Mr. ANDERSON. They permit the reduction of the Cuban quota for 1960. We cannot change the amount of sugarbeets that have been planted.

Mr. YARBOROUGH. Does not the House bill permit a reduction in the Cuban quota?

Mr. ANDERSON. Yes. I should like to adopt the whole House bill. I favored it, but, unfortunately, I was in a minority, as so frequently happens in this world.

Mr. YARBOROUGH. I concur with the opinion of the distinguished Senator from New Mexico. I, too, want the House bill.

Mr. ANDERSON. We cannot get it tonight.

Mr. YARBOROUGH. I regret that we cannot get it.

Mr. MORSE. Mr. President, I fully appreciate the service rendered by the Senator from New Mexico with respect to the parliamentary situation which has arisen on the floor of the Senate as a result of the procedure we followed in sending to the House, in the first instance, the sugar resolution.

I agree with the Senator from Georgia that the Senator from New Mexico has once again performed a great service for the Senate.

However, I approach the result of this latest conference between the House and the Senate with many reservations. I should like to have the attention of the Senator from New Mexico as I raise a point or two which causes me to have these reservations.

We have provisions in this final proposal which seriously affect the foreign policy of the United States. Some of us in the Committee on Foreign Relations have concerned ourselves very much with this problem. I speak as the chairman of the Subcommittee on Latin American Relations. I am very much concerned about the House proposal.

It proceeds to allocate, with regard to certain countries, the sugar quota. I do not care whether one says in reply, "But we are going to apply it only in 1960." We are putting a foot in the door.

In each of these countries, once we adopt the specifics of the resolution, the people of those countries will be led to believe that we have started a policy that will live on. If we decide to change the policy, we will have to confront those countries with a reversal in the months immediately ahead. It is a great mistake to have the specifics—if I am cor-

rect in my understanding as to the existence of these specifics—in relation to countries such as Costa Rica, the Netherlands, or Nationalist China. In my capacity as a member of the Foreign Relations Committee I have been bombarded by representatives of some Latin American countries who are very much concerned about what the House has done.

This is a foreign-policy matter. It is a matter that should have been gone into thoroughly by the Committee on Foreign Relations and by the Committee on Foreign Affairs of the House, rather than in the way we are proceeding here tonight, without the evidence we ought to have as to the effect the bill might have upon our foreign relations and on our American foreign policy.

I would be agreeable to giving authority for a temporary period so that advice could be obtained from the State Department, which, in turn, would be able to confer with the Foreign Relations Committee and with the Committee on Foreign Affairs. However, for us to go ahead, without the benefit of knowing what the foreign-relations effect of the allocations contained in the bill will be to disrupt, as I think we will disrupt, some of our foreign relations with Latin American countries, is a great mistake at this late hour. I wish we had before us a bill which would not change these allocations quite in the specifics that this one does in relation to any other country. I wish we would keep open to a greater extent, as pointed out by the Senator from Texas, our own domestic policy.

Mr. LONG of Louisiana. Mr. President, will the Senator yield?

Mr. MORSE. I yield.

Mr. LONG of Louisiana. If I understand the summary of the proposition before us, would it not mean that this enormous quota for Cuba, which is 90 percent of all the purchases of sugar from areas outside the United States, would be allocated to countries which presently are selling us sugar and which are called full-duty countries—I think they have about a quarter of a cent more duty than Cuba—and that they would be selling us sugar at about twice the world market price?

Mr. ANDERSON. That has been going on for many years. They have been selling sugar at the prevailing price and not at the lower price. It is true that the countries in the Caribbean areas have been marketing sugar at a lower price than we pay Cuba.

Mr. LONG of Louisiana. This is a \$150 million economic aid program. Once we give this profit to these countries, does not the Senator realize that they will regard it as being an unfriendly act on our part when we take it away? If we went ahead and purchased the sugar at the world market price, would we not be better off to go ahead and do that than to assign quotas to those countries?

Mr. MORSE. Yes.

Mr. LONG of Louisiana. And when we tried to take it away, they would try to construe it as economic warfare.

Mr. MORSE. Yes. I am thinking of the foreign relations effects of this bill.

The Senator from Louisiana could not be more correct than he is. What is being done, in effect, really, is to set up new quotas for some countries. Subsequently we will put ourselves in a position where there may be an attempt by some countries to say that we are going to change the quotas. We will be creating much ill will.

What we ought to be doing is to pass a simple measure, for the time being, that will give the President of the United States authority to decide what ought to be done for this temporary period, in connection with the Cuban quota, and then to wait until the Committee on Foreign Relations can hold hearings on the subject.

We can then consider the effect on our Latin American policy, rather than to pass a bill which may cause resentment in some of the capitals of our best friends in Latin America.

Consider Brazil, for example. If there is any country in which we ought to be seeking to create more good will, it is Brazil. But the action we are taking tonight will arouse deep animosity in Brazil.

Consider Venezuela, another great sugar-producing country. We do not know for certain tonight which way Venezuela will go. Yet we are proceeding to follow a course of action which will permit the radical and Communist elements in Venezuela to utter some vicious propaganda to the effect that once again the United States slaps its Latin American friends in the face and sets up some preferences.

Colombia, Guatemala, El Salvador, and Ecuador, also are concerned in this.

How can we define, when we come to discuss the facts and consider giving some countries sugar quotas in this proposal, whether we are not really giving preference to some other countries?

Mr. LONG of Louisiana. Mr. President, will the Senator yield?

Mr. MORSE. I yield.

Mr. LONG of Louisiana. Under part 3 of the memorandum, 85 percent of the Cuban quota is to be assigned to certain so-called full duty countries in proportion to what they are now getting. Can the Senator tell me what percentage, if Cuba is eliminated, will go to Mexico?

Mr. MORSE. I cannot tell the Senator.

Mr. LONG of Louisiana. Would it not be around 25 percent? Or what percentage would it be? Can some Senator tell us that?

Mr. ANDERSON. Mr. President, will the Senator yield?

Mr. MORSE. I yield.

Mr. ANDERSON. The Senator from Louisiana is discussing the analysis of the full House bill for 1961. We have eliminated that.

The Senator from Oregon asked me about Brazil. We have made provision that the President may provide for certain countries, whereas we have tried to protect other countries, just as the Senator from Oregon is suggesting.

If the Senator will read the bill as amended, he will find his analysis is incorrect.

Mr. MORSE. I think the Senator is proving to me the danger of passing on foreign policy questions in this manner in the Senate. What we ought to be passing is a simple measure to freeze the matter in the hands of the President for short period of time which will elapse until we come back in August to legislate upon the Cuban sugar quota.

I ask the Senator from New Mexico whether or not in the proposal which has come back from the House we have not continued, in effect, the provision that, in regard to this year's Cuban quota, we are going to raise for nations producing between 3,000 and 5,000 tons a sufficient quantity of sugar to bring them up to 10,000 tons.

Mr. ANDERSON. That was in the House bill and was left in that bill.

Mr. MORSE. That is what I am criticizing.

Mr. ANDERSON. The next item relates to the Philippines. They get a 15-percent increase. But in line 15, in place of "shall" we have inserted "may." We struck out the words "allocated to or" and have allowed the President to differentiate between countries which have quotas and countries which have no quotas at all. So it is a matter of discretion in which the President would follow the recommendations of the Secretary of State.

This is a temporary device. That is why the temporary provision has been included.

Mr. MORSE. The Senator from New Mexico does not change the situation by calling the measure a temporary device. By still permitting an increase in the quota to the five nations, there will be created an expectation in those nations that they will continue to get the new quota. If they do not continue to get it, they may construe it as a reversal of our policy. This will not create good will.

By establishing such quotas for a short period of time, we will stir up the resentments to which I have referred. I think that to do this is a mistake. We do not need to go into these specifics, however, in any measure we pass tonight.

If we would but pass a simple, general bill which would vest for a temporary period of time—until Congress returns and decides what the sugar policy will be—the authority in the President of the United States to distribute the Cuban quota, this is all that would be needed. We ought to be adopting a simple measure. Then when we return in August, we can decide what we want to do about the question.

If we let the President decide, on the basis of an executive approach to this matter, without any specifics mentioned in any legislation passed by Congress, we will not find ourselves in such a position as to lead people in other countries to say, "But by congressional act, you put your stamp of approval—at least for a period of time—on the percentage of distribution of quotas to certain countries."

I say most respectfully that, as we are proceeding tonight, we will create much trouble in the future for ourselves among

the countries which will come into the plan, even for the temporary period of the application of the bill. We will be creating great trouble for ourselves in countries which are left out of the measure.

I do not know whether my suggestion can be worked out in a parliamentary way or not. My suggestion is that we offer as a substitute for this bill a simple bill which, in effect, will say that we are placing authority in the hands of the President, for a short period of time, in order to administer the Cuban quota.

Mr. ANDERSON. That was one of the earlier suggestions which was made. I found it was completely impossible to have it agreed to, because of the position in the House at this late hour.

With reference to the size of the quotas to the respective countries, I call attention to the fact that in the Sugar Act of 1948 we were confronted with the problem of what to do about the Philippines. The Secretary of Agriculture tried to work out a proper way to handle the surplus left in the Philippines. The final decision was that it would be assigned to various countries. Other countries got it on a temporary basis. It was taken back later without any difficulty.

This proposal will become operative only when the President acts. The President will then have considerable ability to transfer the quotas almost where he sees fit, when that day comes.

We tried to retain some of the House language, because we thought that was the only way a decision might be reached on the question.

Mr. HRUSKA. Mr. President, will the Senator yield?

Mr. MORSE. I yield.

Mr. HRUSKA. I should like to inquire of the Senator from Oregon as to the reference to other foreign countries, as stated on page 4 of the bill. Subparagraph 1 of the analysis which was submitted to the Senate by the Senator from New Mexico, contains a provision to allocate to five foreign countries so much of the unallocated sugar quota. Which foreign countries are involved in that reference in each instance? May they be named, so that the Senate will be fully informed?

Mr. MORSE. As I understand, the countries are Costa Rica, Haiti, Panama, the Netherlands, and Nationalist China.

Mr. HRUSKA. If as a result of legislative action an allocation is made to them, it will be a far different situation to withdraw from that arrangement as contrasted with the situation where perhaps the placement of a reduction of the quota of Cuba by executive order would present if we were called upon then to correct the executive order. Is that the point of the Senator from Oregon?

Mr. MORSE. Yes; it will not create nearly so much bad will or ill will as might be the case if Congress tonight puts its stamp of approval upon the specifics of the proposed legislation.

We are giving blanket authority to the President to act for a temporary period, with due notice that when we return in August we will decide on legislation as to the final allocation to be adopted by Congress.

It seems to me that what we are doing is to place ourselves in a weakened legislative position. It can be thrown into our faces that after all, on July 2 Congress took this course of action; and Congress will have to retreat from it if we are to make any change.

We do not have much of the information which we need in order to pass that judgment tonight. We should not reach that judgment, in my opinion, because of the effects it is already producing and the protests we are already receiving from some of the embassies.

Mr. ANDERSON. Mr. President, will the Senator from Oregon yield?

The PRESIDING OFFICER (Mr. McCLELLAN in the chair). Does the Senator from Oregon yield to the Senator from New Mexico?

Mr. MORSE. I yield.

Mr. ANDERSON. The Senator from Nebraska has again read from the mimeographed analysis of the bill as passed by the House of Representatives; but the analysis which now has been placed upon the desks of many Senators is an analysis of the bill as previously passed by the House of Representatives, but is not an analysis of the bill as it has since been amended by the House.

Yesterday, in the Finance Committee, the Senator from Minnesota [Mr. McCARTHY] and I opposed the reporting of the resolution, as joined in by many Members.

I had intended, if the bill came back from the House, to join in the effort to get the Senate to accept the full House bill.

We had conferences on this matter; and, in that connection, I should like to join in praising the participation on the part of the Senator from Texas [Mr. JOHNSON], the Senator from Illinois [Mr. DIRKSEN], the Senator from Georgia [Mr. RUSSELL], and the Senator from Utah [Mr. BENNETT]. We realized we could not get everything we wanted, and that the House could not get everything it wanted. So parts of the House bill were stricken out. Therefore, parts of the mimeographed analysis which has been placed on the desks of Senators no longer apply.

Mr. HRUSKA. But the portion referred to in No. 1 on page 4 still applies; does it not?

Mr. ANDERSON. That is correct; but that is only a portion of the allocation which might be saved from the Cuban supply if the President chooses to follow that course and it will apply only for the remaining months of this year.

Mr. HRUSKA. Yes; but if that were done by the President, that would be an Executive determination, as opposed to a legislative determination.

Mr. ANDERSON. Yes; but I can only say that the same remark applies to the Sugar Act of 1948.

Mr. HRUSKA. Not at all; the Sugar Act of 1948 was a legislative determination, not an Executive determination.

As the Senator from Oregon has pointed out, this bill, if enacted as it is now, would deprive the Senate of the opportunity to participate in a legislative determination; and, instead, the matter would be handled by means of an Ex-

ecutive determination. Certainly that is demonstrated by the terms of paragraph No. 1 on page 4; whereas, if the proposal of the Senator from Oregon [Mr. MORSE] is followed, the determination which will be made will be an Executive determination as to where the Cuban allocation will be allocated; and for Congress than to overturn that Executive decision would be different from having the executive branch overturn what the legislative branch at a previous time had determined.

Mr. MORSE. Mr. President, I think time will prove that the Senator from Nebraska is unanswerably correct in the position he has taken tonight. I think he has outlined the course of action which the Senate should take.

Mr. President, I now propound a parliamentary inquiry.

The PRESIDING OFFICER. The Senator from Oregon will state it.

Mr. MORSE. The Senator from New Mexico says the approach I propose—namely, a simple measure to give the President authority for an interim period of time, in order to allow him to make the decisions in regard to the Cuban quota—could not be adopted. Do I correctly understand that situation is because of some parliamentary rule which confronts the Senate—for instance, some rule which would prevent the Senate from modifying the House proposal to the extent of striking out all the language it would be necessary to strike out, and substituting a general bill of the type I have outlined—or is it simply because we cannot obtain the agreement of the House to such a proposal?

Mr. ANDERSON. I cannot say what the House will do or will not do. I was a Member of the House, and I have great respect for it and for the institution itself.

I only say I went to the House, and tried to find out whether an agreement is possible. It is my position that if what the Senator suggests were done, and if such a provision were put into the bill, the House would not receive it. I am sure that is the position of the Speaker and of the majority leader and of the minority leader. And under those circumstances, I do not think it would be wise.

Mr. MORSE. In view of this it is easy for me to decide on what my position should be. I do not propose to vote for a mistaken foreign policy on the part of my country simply because at the 11th hour the House has taken a mistaken position. Under the circumstances, I think we should take sufficient time to study the matter and to arrive at a careful determination of a better foreign policy, rather than this one, which seems to be due to a type of pressure the House of Representatives is attempting to put on the Senate.

I repeat that I think it would do great harm to American policy in Latin America, if the measure in its present form were to be enacted. I shall vote against it because in my judgment if we were to take the action now proposed, we would have to return to this record in the not too distant future, in connection with American relationships with Latin

America, and would realize that a sad mistake had been made.

Mr. AIKEN. Mr. President, will the Senator from Oregon yield?

Mr. MORSE. I yield to the distinguished Senator from Vermont, who serves with me on the Latin American Subcommittee of the Foreign Relations Committee.

Mr. AIKEN. Mr. President, I, too, wish to say that if the proposal as submitted to us tonight is enacted and if the President takes any action under it before we rewrite the legislation, we shall simply be piling up a great deal of trouble for ourselves.

Mr. MORSE. There is no question about it.

Mr. AIKEN. And much more trouble than we are in now, insofar as sugar is concerned.

But if the President did not take any action under it before the bill was rewritten, perhaps no harm would be done.

Mr. MORSE. Mr. President, at this time I shall yield the floor. But I give notice that later I intend to take the floor again to offer the kind of measure which I think the Senate should adopt.

Mr. HICKENLOOPER. Mr. President, will the Senator from Oregon yield?

Mr. MORSE. I yield.

Mr. HICKENLOOPER. Perhaps I should address the question to the Senator from New Mexico: Do I correctly understand that we cannot amend the House bill, which has come to us by striking out all after the enacting clause and substituting the language of the resolution the Senate sent to the House this afternoon?

Mr. ANDERSON. Surely, we can do that.

Mr. HICKENLOOPER. Do I correctly understand that the Senator from New Mexico believes that the House would reject such an amendment?

Mr. ANDERSON. Yes.

Mr. HICKENLOOPER. My understanding, I may say, is that the reason why the House said it rejected the resolution was that it was an independent resolution of the Senate which violated the constitutional provision that revenue measures must originate in the House of Representatives; but the House did not take the position that it would refuse to accept the language in the Senate resolution.

Mr. ANDERSON. I spent a considerable amount of time—

Mr. HICKENLOOPER. I do not know; I have not been in the conference with the House. But I see no reason why we could not amend the House bill, and leave on it the House bill number, but proceed to substitute for the language of the bill which originated in the House the language of the Senate resolution which the Senate sent to the House. Then the measure would still be the House bill, which we would then send to the House, and we would include in the House bill that Senate amendment.

I do not understand that there could be any possible objection under the Constitution if the Senate were to proceed in that way.

If the House then should refuse to accept that Senate amendment, that would be the responsibility of the House.

Mr. MORSE. Mr. President, that is what I propose to do, and I propose to ascertain whether the House will reject it. From the standpoint of the foreign policy, I believe that course will at least "put the monkey" on the back of the House so to speak, rather than on our own back.

The PRESIDING OFFICER. A moment ago the Senator from Oregon propounded a parliamentary inquiry. Does he waive that inquiry?

Mr. MORSE. No, Mr. President; I should like to have a ruling by the Chair, through the Parliamentarian.

The PRESIDING OFFICER. As the Chair understands the parliamentary inquiry, of course the Senate could take the action the Senator has discussed; there is nothing to preclude the taking of such action by the Senate.

Mr. MORSE. Mr. President, temporarily, I yield the floor.

Mr. ALLOTT. Mr. President, for once I find myself fairly well in agreement with the Senator from Oregon.

Following the many speeches I have heard in the Senate and in the other House about the leadership of the executive branch of the Government, tonight we have a chance to give the President an opportunity to exert that leadership. I have heard many speeches on this floor about wanting a strong foreign policy; and the President has asked, for 6 months, for exactly the powers the Senate tried to give him today.

The senior Senator from Florida [Mr. HOLLAND] very, very well pointed out that this adds some benefits to Cuba. It also adjusts other quotas, and it adjusts them at a time when not one Member of this body has had a chance—or hardly any Member of this body—when not more than a handful of Senators have had a chance to read the House committee report. I do not think it is even available in the Senate, and I wager that not half a dozen Senators have had an opportunity to read this House committee report, and that even fewer have had a chance to read the House bill as it is now amended.

So, Mr. President, what are we asked to do here, tonight?

Is it such a simple thing to legislate on something that affects all of our cane growers and sugar beet growers in the United States, and to adjust quotas among a lot of our friends and our allies? I am not sure but that the Dominican Republic would also get a windfall, as I read the measure and as I read section 202(c) of the code. All of those things, to me, are bad.

Mr. JAVITS. Mr. President, will the Senator yield?

Mr. ALLOTT. I yield.

Mr. JAVITS. I do not believe the Senator intended to omit that what is being done is engaging in a great decision of foreign policy as it affects the present regime in Cuba.

Mr. ALLOTT. I have not got to that yet, but I thank the Senator for his suggestion.

Mr. President, if anyone thinks that authorities in the Senate believe that this does not adjust the quotas between our friends and that we are thereby inviting trouble, if anyone thinks this will not

result in a windfall to the Dominican Republic if the President exercises his authority, I would like to get that straightened out.

Mr. HOLLAND. Mr. President, will the Senator yield?

Mr. ALLOTT. I yield.

Mr. HOLLAND. I believe the Senator has not seen or heard the words in the amendment of the Senator from New Mexico, which make it unnecessary for any windfall to the Dominican Republic or any of the other nations who have quotas. Those words are on lines 15 and 16 on page 4 of the printed bill. The word "shall" on line 15 is changed to "may," and the words "allocated to or" are stricken, so that it reads "may be purchased from foreign countries."

The reason for that change, I happen to know, because I was present when the Senator from New Mexico suggested it, was to leave it entirely to the Executive whether or not he should distribute to any quota country, including the Dominican Republic, any of the sugar purchases which are to be made if the quota of Cuba is adversely affected.

Mr. ALLOTT. I thank the Senator. I do have that amendment in my hand, and I have it exactly as he read it. I believe that is possible, also. It is also possible that, instead of approaching this in a clear manner, it is giving the President power to readjust quotas as between various countries. That, I think, is a power which the Congress should surrender very reluctantly.

I am in favor, and have supported from the first, a bill which would give the President power to cut the Cuban quota and to purchase, if necessary, on the world market, or other places, sugar necessary to fill the needs of this country, to pick up the deficits of Puerto Rico and Hawaii, and allocate those to the farmers of the United States.

I see no reason why the farmers of the United States should bear the burden of this matter any longer, and I realize that while this bill has been a limitation upon them, it has also been a great protection to them.

Mr. CURTIS. Mr. President, will the Senator yield?

Mr. ALLOTT. I yield to the Senator from Nebraska.

Mr. CURTIS. It cannot be denied that this legislation affects foreign policy, but certainly we should never put it in the perspective that it is not something very important to our domestic policy; and it should be determined in that light. We have a great agricultural problem in this country. We are plagued with surpluses. We are buying 98 percent of our sugar from foreign sources. Congress should assert its jurisdiction over this matter and assert itself.

Mr. ALLOTT. I appreciate the Senator's comments very much.

I would like to say something about foreign policy. Ninety miles south of this country we saw develop after New Year's Day of 1959 a dictatorship which is every bit as bad as or worse than that which existed under Batista. It is worse because when the people follow a revolutionary leader to get freedom, they find complete disillusionment. Their financial situation in Cuba is rapidly leading

them on the road to chaos. Whether it will be tomorrow, or next month, or the end of this year, no one knows, but it will come.

In addition, we in this country have seen the lands of Americans expropriated day after day after day, and the only thing any American has seen for those lands has been a promise that they will be redeemed in 20-year bonds. So far as I know, no one has received a bond. Many Americans find it difficult to get even a receipt for the lands expropriated. They call it intervention now.

That is what they are doing. What would happen in this country if we sought to take the house or the property or the business of a Cuban in this country, whether he was a citizen or not? Our own people would rise in anger. Yet, somehow, we pull down a curtain before us when we look at other situations, and become blind, and cannot realize the moral implications involved.

The reason why I am speaking now is that I firmly believe the situation in Cuba poses one of the most serious threats to us and our foreign policy that has existed in this country for many years. I say we cannot—we must not—let a Communist cell grow into a well-organized Communist country there. If we do, we will be the most foolhardy people who ever existed upon the face of this earth, because we have hundreds of examples which we see around us day by day.

We are spending \$41 billion this year in defense expenditures. We are spending \$4 billion more in mutual security. I do not know how many billions we have spent in the last few years to stop communism. Yet we are letting it grow right under our eyes.

So the question boils down to this: The House has been adamant—I think unnecessarily so.

As a practical person, reluctantly—I say reluctantly, because I am prepared to stay here and talk all night and into tomorrow, if necessary—I would take the measure as it now comes to us. I think it is a great mistake, and I do not depreciate in any way the effects which have been made by the gentlemen who were conferring and trying to work this matter out.

However, I do say it is a poor substitute, and we in the Senate tonight—and this is what I regret most of all—have been put in a situation of accepting a take-it-or-leave-it proposition. For a year and a half a bill has been before the House Agriculture Committee to extend the Sugar Quota Act.

For a year and a half. I know every effort has been made by many people to move the legislation this year. It was commonly thought and accepted that we were going to adjourn this week end. Perhaps we should have shook our heads a little bit. Anyway, that is what many thought.

So we reach the day before the supposed date of adjournment, 2 days before the 4th of July, a little over a week before the convention of one of our major political parties, which we recognize all of our colleagues must attend, as we on this side shall have to attend

our convention, and we are suddenly faced with a bill upon a take-it-or-leave-it basis.

The bill has not gone to the committee. It has not been to the Finance Committee yet. It has been lying on the desk. It is not printed, I am informed. No one knows exactly what the real story is. We are faced with a flat take-it-or-leave-it proposition.

It breaks my heart to think that we are going to have to legislate on such a serious matter—serious to our own farmers, serious to our friends and allies particularly in Latin America, and serious with respect to our international relations with Cuba—when we are faced with a take-it-or-leave-it proposal.

As I said before, I am a practical man. I will take it, but I do not like it. I do it reluctantly.

If a substitute should be offered, I reserve the right to vote for that. I think it is a sad commentary on our state of affairs, when we have to consider proposed legislation such as this.

I do not depreciate the work which has been done tonight in an attempt to resolve the apparent impasse. It is a sad state of affairs when we have to involve so many people in our international relations on such scanty and flimsy evidence, such flimsy facts and scanty facts as we have before us tonight.

Mr. HRUSKA. Mr. President, will the Senator yield?

Mr. ALLOTT. I yield.

Mr. HRUSKA. The situation might be stated somewhat as follows: All of us realize the desirability of the possibility of cutting down the present quotas on sugar purchased from Cuba. The question arises as to how those reductions will be allocated. From where will the deficiency which will arise from those reductions be made up? How will the deficiency be made up?

The present proposal, in the form of the amendments of the Senator from New Mexico, provides that by legislative action, without the benefit of committee hearings and without the benefit of deliberation which is certainly reasonably forthcoming from a body such as this, we shall make a decision, by action of the Senate and the House.

The alternative proposed is to put the discretion in the hands of the President, who will, in the calm deliberation of his office—in a calm deliberation other than the pressure under which we find ourselves at this time of night—make the decision as to how the reduction will be made up.

Is that not about the sum and substance of the entire situation?

Mr. ALLOTT. That is about the sum and substance of the situation.

One of the great objections of those who have opposed the proposed legislation for the past 6 months, and who have kept it tied up in one way or another in the House of Representatives, has been that they could not see surrendering the powers of the Congress to cut the quota of sugar for Cuba.

As I read the language—and I refer Senators to page 4, line 16, to which the Senator from Florida [Mr. HOLLAND] referred a while ago—I think the language

goes further than to give the President the power to cut. I think the word "may" makes it possible for the President to readjust quotas as between countries, within certain limits. So it is even a little beyond what the Senator has described.

I thank the Senator for his contribution.

Mr. President, I yield the floor.

Mr. ELLENDER. Mr. President, I regret to say that I shall oppose the amendments offered by the distinguished Senator from New Mexico.

Four years ago I was instrumental in obtaining more than 50 Senators to sponsor the present Sugar Act. In the early part of last year, in the first session of the 86th Congress, I submitted another bill to extend the present Sugar Act. For many months during the first session of the Congress I made many efforts to have the Committee on Agriculture of the House, which handles sugar legislation, consider and report a bill to extend the present sugar law. Instead of acting immediately, or even with reasonable speed, the chairman of the House Committee on Agriculture—in fact, the entire committee—saw fit to postpone action.

Tonight we are working under heavy pressure—actually, under duress. The House bill came to this body yesterday. I understand that the majority leader held the bill at the desk, in the hope that it could be considered before the recess and before the bill was referred to the Finance committee.

Mr. President, everyone knows the trouble we have encountered in getting the House bill before us. Everybody knows the Senate cannot originate sugar legislation—that the Senate cannot take action on a sugar bill unless the bill originates in the House.

It is true that we can attach a sugar bill to a bill which comes from the Finance Committee, but under the rules of the House, the question of germaneness maybe raised. Usually a bill of that character, when sent to the House from the Senate, would be sent directly to the Committee on Agriculture, if it included a sugar bill. Under these circumstances we would probably again be confronted with an unreasonable delay.

Mr. President, as has been pointed out by several Senators, we have a vehicle now before us. We can consider that bill, when we return in August. We can hold hearings on it. We can consider the bill in the Senate, pass the bill, and send it to conference. We can do that within perhaps a week or a week and a half.

However, if the bill which we are now considering is sent to the House merely for the purpose of giving the President the short-term authority which some Senators believe he should have, we are going to lose the only available vehicle by which we can later, after the recess, obtain effective sugar legislation on a long-range basis. Let us not forget that the amendment which is now proposed would not extend the Sugar Act, but would merely amend it so as to give the President the power to deal with Mr.

Castro. The act would still expire December 31, 1960.

I believe our failure to preserve the House-passed bill as a vehicle for a real extension of the act after the recess will seriously jeopardize the sugar program. I say this with the full and complete realization that the House is adamant—at least certain Members of the House Committee on Agriculture are adamant.

I attended several conferences and made many suggestions as to how the matter could be handled, but what was I told by the proponents of the measure in the House? "Take our bill or nothing."

That is the kind of answer that I received. I expect the same thing to happen when we meet here in August. My guess is that the House will again delay the passage of a sugar bill until the last minute, and then send to us their own bill and say, "Take this or get nothing." That is the problem with which we are confronted today.

There is another point which I want to emphasize—it was raised by the distinguished Senator from Oregon [Mr. MORSE] and several other Senators—and that is in regard to the allocation of any quota which may be taken away from Cuba. It is true that the pending language affects only the 1960 sugar crop but it does affect the foreign full-duty countries which would be in line to benefit should the President reduce the Cuban quota. The quotas of these countries could be increased out of the Cuban quota reduction, and if that should be done, the increased amounts would be the quotas they will expect and demand in the future. Thus, instead of having only Cuba to deal with, we will, I fear, have perhaps four, five, or six of our neighbors to the south of us taking jabs at us.

Mr. ALLOTT. Mr. President, will the Senator yield?

Mr. ELLENDER. I yield.

Mr. ALLOTT. Would that not ultimately result perhaps in harm to our own cane and sugar beet growers?

Mr. ELLENDER. There is no doubt about that. I fear that those who will ultimately suffer the most are our domestic growers, under this proposal.

Suppose that scoundrel in Cuba is deposed next week, or in a month and a half, or 2 months from now. Ways and means will have to be found to restore to Cuba any portion of her quota which the President may have taken away from her and given to other countries under the bill.

Let us not forget that 42 percent of the sugar which is now being produced in Cuba is owned and controlled by Americans. Does any Senator wish to do our own people violence? Yet, that is what would be done under this bill.

Furthermore, if this bill passes, we shall find ourselves in more trouble, when the bearded Cuban demagog is deposed. We shall be in trouble with those countries which received the Cuban quota; they will demand those increases permanently. We shall simply have compounded our troubles. Instead of having to deal, as I said, with one "Cuba" or one "South or Central Ameri-

can country," we may well be confronted with five, six, or seven.

We are told that unless we act tonight, the President may call us into session next Tuesday. What if we do return later? There is no iron-clad reason why we must recess or adjourn now. This is an important measure, and, so far as I am concerned, I am willing to stay here all next week and settle it and not pass a resolution that will put us deeper and deeper into trouble with our friends to the south of us.

Mr. LONG of Louisiana. Mr. President, will the Senator yield?

Mr. ELLENDER. I yield for a question.

Mr. LONG of Louisiana. When the last Sugar Act was passed, the House of Representatives tried to make some minor adjustments in the quota for the small Caribbean countries, and the State Department at that time told us that if we went along with the juggling that the House of Representatives tried to do in that bill as reported by the House committee and sent to us, it would create such chaos in our relations with Central America that there would be no way to handle the situation. It would be absolutely impossible to get along with them for some time to come.

I remind the Senator that the proposed legislation was not drawn by the State Department. It was drawn, I assume, by the chairman of the House committee, and the kind of thing we have here goes 100 times as far as the House tried to go some years ago when the State Department said it would absolutely destroy our relations with all of South and Central America if the measure was passed.

Mr. ELLENDER. Under the bill, as I see it, 85 percent of this balance may be distributed among all the countries of South and Central America that produce sugar and are not receiving any preference, as is Cuba, Mexico, Peru, and several others.

I say that if the President next week, for example, should remove a million or a million and a half tons from Cuba's quota, and let all those countries share in the quota so removed, it will simply mean that those countries will expect to retain their increased quotas in the future. That is what they will expect.

The resolution that we presented today was a very simple one, and I am surprised and thoroughly disappointed that the House refused to accept it. The day before yesterday—since it is now 12:30, after midnight—after we had several conferences. Some of us made every effort to have the chairman of the Committee on Agriculture and Forestry of the House, and other members of that committee agree to our resolution. We suggested that they either permit us to introduce one, or that they introduce such a resolution, giving the President the power to deal with Dr. Castro.

What we had in mind was to permit the President to purchase on the open market such sugars as may be needed for our domestic consumption, not by way of allocation, as the bill provides, but simply to go on the open market and purchase the sugar.

They did not want that. They said, "You take our bill or you have nothing."

Mr. President, I do not like that kind of challenge, and so far as I am concerned, I am willing to stay here and not recess at all until this matter is dealt with, if the President thinks it is that important.

Mr. MORSE. Mr. President, will the Senator yield?

Mr. ELLENDER. I yield.

Mr. MORSE. I think the Senator from Louisiana is to be commended for the very sound analysis he has given to this problem from the standpoint of America's foreign relations. All we can do in these wee hours is to try to get the situation before the Senate in the hope that the Senate will take the time to analyze the very important implications that the Senator raises.

Let us consider a point or two that I wish to stress. The Foreign Relations Committee of the Senate has had conferences during the past several months with the State Department upon the sugar problem. I wish to say that in none of those conferences has the State Department come forward with any such a proposal as we find in the House bill tonight. I haven't had time to consult with all the members of the Subcommittee on Latin American Affairs, but such of my associates on that subcommittee are in the Senate tonight and I have talked to them about the problem.

I think I report accurately when I say that we think it is highly desirable to adopt a simple general resolution such as the Senator from Louisiana is pleading for and that I pleaded for earlier. I serve notice on the Senate that the parliamentary situation is such that the Anderson amendment has priority. We will have to act on it one way or another. We will have to vote it up or down. Whether we accept it or reject it, an amendment in the form of a substitute will be in order. I serve notice now that after action is taken on the Anderson amendment I shall offer a substitute which will read as follows:

Notwithstanding the provisions of the Sugar Act of 1948, as amended, the President shall determine the quota for Cuba under such act for the balance of the year 1960 in such amount or amounts as he shall find from time to time to be in the national interest.

I believe that when that amendment goes before the House in the proper form in which it will then be—because our previous resolution was found to be faulty from a procedural standpoint—the House will be able to give some consideration to the problems the Senator from Louisiana has raised.

I ask Senators to pay attention to the countries that I now name, Brazil, Venezuela, Colombia, Guatemala, El Salvador, and Ecuador. These countries are already very much concerned about the course of action that is being proposed on the floor of the Senate tonight.

It is important, as the Senator from Louisiana says, that we bring these problems before our committees. This will permit us to bring State Department officials in to testify upon the problems, and to give us the benefit of

their advice. Otherwise what we may do here tonight on the bill as it comes to us from the House, can be to create, in my judgment, and, as the Senator has pointed out, some very serious problems with countries to the south of us.

We cannot afford to be considered an Indian giver. We cannot say, "We allowed this quota only for a temporary period of time." Once these countries obtain the benefit, they will resent any taking of it away. They will, I repeat, resent our taking those quotas away. The countries which do not get any quota under the Anderson amendment are going to resent that fact too. We would be creating a misunderstanding.

We can take care of the situation, however, by the simple amendment that I shall offer as a substitute for the Anderson amendment, irrespective of whether we vote the Anderson amendment up or down.

Mr. LONG of Louisiana. Mr. President, will the Senator yield?

Mr. ELLENDER. I yield.

Mr. LONG of Louisiana. We have heard a great deal of talk about fiscal responsibility and fiscal irresponsibility. If we take what is before us, it will be irresponsible. We have before us a bill which the Finance Committee has not had an opportunity to look at. I undertook to look at the analysis of it. I asked one of the pages to get me a copy of what Senators have been reading from. He said it was not available. What are we going to vote on? I have before me a mimeographed page from the office of the Senator from New Mexico [Mr. ANDERSON]. It is an explanation or brief analysis of the bill. This is all I can find, but I have already been told that the memorandum does not accurately describe what the Senator from New Mexico is offering. That shows how little we know what we are voting on.

This measure proposes to take Cuba's quota and distribute it to other countries that at present have quotas. What is the quota that Cuba gets? It is over 3 million tons. Let us take a look at the other countries together. How much do they get? Two hundred seventy-eight thousand. They get about 7 percent of what Cuba gets. That is according to this memorandum. If we take Cuba's quota, we proceed to redistribute it on the basis of Peru, the Dominican Republic, and Mexico getting almost 90 percent of all of Cuba's quota. Mexico might be able to fill a substantial portion of it, but it would be difficult for the others to do so. At what price would it be sold? At twice the world price. These people who are to be favored would expect to have vested rights in this additional quota, if I understand the memorandum. That is the best explanation I can find.

Yet I am advised that a copy of the amendment is not available. We passed a resolution which said that the President could work it out. I would prefer to let the President distribute it and buy all the sugar however he sees fit to buy for the next 30 days. That makes some sense. At least he would have someone's advice. Who is advising us? We cannot even get a copy of what we

are voting on. Yet we are going to distribute 3 million tons on an annual basis based on some sort of formula that we do not understand or know anything about. We are told, "Do not worry about it."

Mr. HOLLAND. Mr. President, will the Senator yield?

Mr. ELLENDER. I yield.

Mr. HOLLAND. I have a memorandum from the files of my colleague [Mr. SMATHERS] which is based on information coming from the Sugar Division of the Department of Agriculture. It deals with the quota and the balance of the unfilled quota, which I believe will give the Senator figures which he may want to use rather than the full-year quota figures which he has been using.

Under this memorandum, the sugar quota for Cuba this year is 3,119,655 tons. The total unfilled quota at this time is 830,000 tons.

The memorandum states that Cuba has not delivered the 830,000 tons, but that plans are being made to deliver every ton of this sugar before Congress gets back in August. Such action would seriously affect the market, since the market is loaded and the refineries are full.

In addition to the 830,000 tons, which is the balance of the unfilled quota for Cuba for this year, there are two other factors mentioned in the memorandum. It states that Cuba's share of the deficit amounts to 161,800 tons, which will go to Cuba very shortly, unless someone is given authority to prevent it. That would be a second bonanza for Cuba. One hundred sixty-one thousand eight hundred tons is the second one, and a very considerable one. The total of those two make practically 1 million tons, with a value of about \$100 million, which Cuba will receive by way of bonanzas in the next few weeks, unless the President is given authority to deal effectively with this matter.

Mr. LONG of Louisiana. That is just the kind of proposal that I advocate, to give the President the power to deal with it. Why should we assign quotas? I have the privilege of serving on the Committee on Finance, which will have jurisdiction of this subject if it gets to the committee. I would be interested in looking into it. For us to attempt to reassign quotas without having any concept of how they are to be reassigned seems to me to be ridiculous. I would rather turn it over to the President than vote in the dark, as we are asked to do, with only a few people knowing who would be benefited. These countries have lobbyists working on the House side, and no doubt they have had the benefit of some knowledge on these points, but we have not been able to study the question at all. I would prefer to tell the President, "Go ahead and buy sugar on any basis you please."

Mr. BENNETT. Mr. President, I should like to propound a parliamentary inquiry.

Mr. ELLENDER. I yield for that purpose.

Mr. BENNETT. Earlier in our discussion the majority leader expressed the opinion that the sugar bill could be

attached to a House-passed bill. I should like to inquire whether the resolution may be properly attached to a House-passed bill which has come to us and has been assigned to the Finance Committee?

The PRESIDING OFFICER. The Chair is advised by the Parliamentarian that it can be, because there is no question of germaneness.

Mr. BENNETT. Mr. President, under the circumstances, I suggest that we might consider attaching this resolution to another House passed bill, and thus leave the sugar bill where it is, reposing in the Committee on Finance, and not risk not being able to get a bill to handle when we come back in August.

Mr. ELLENDER. Such a suggestion would, of course, meet one of the main objections I raised a while ago. However, if we did that, it would be useless, because the House would be adamant in saying, "You will send us our bill, or you will get nothing." And that is what we would get.

Mr. CURTIS. Mr. President, will the Senator yield?

Mr. ELLENDER. I yield.

Mr. CURTIS. I think it is important that we legislate on sugar in the near future. It seems to me it would be the part of wisdom for the Senate to rescind its recess resolution, that this measure be referred to the committee for 2 or 3 days, and that we complete the legislation next week.

Mr. ANDERSON. Mr. President, will the Senator yield?

Mr. ELLENDER. I yield.

Mr. ANDERSON. I wish to modify my amendment so that I may meet the point raised by the senior Senator from Louisiana and the junior Senator from Louisiana.

The PRESIDING OFFICER. Does the Senator from Louisiana yield for that purpose?

Mr. ELLENDER. I yield, provided I do not lose the floor.

Mr. ANDERSON. Mr. President, on page 4, line 3, I propose to strike out "shall first" and insert in lieu thereof "may."

On page four, line 11, strike out "shall next" and insert in lieu thereof "may."

That would leave the matter completely within the jurisdiction of the President of the United States.

Mr. ELLENDER. But he will not have the power to purchase.

Mr. ANDERSON. He will have the power to purchase.

The PRESIDING OFFICER. Will the Senator from New Mexico send his amendment to the desk?

Mr. ELLENDER. I call the attention of the Senator from New Mexico to the fact that on page 3 the President would be empowered to deal with the Cuban quota, and if he should decide to take away any amount that he desires, so far as that goes, it shall be apportioned as follows, and I quote:

First, there shall be allotted to other foreign countries for which quotas are assigned, or portions thereof, not less than 3,000 or more than 10,000 short tons, so that any country receiving from 3,000 tons to 10,000 tons may all receive 10,000 tons.

The resolution which we originally proposed dealt with the problem in this manner: We sought to give the President the power to deal with the Cuban quota, and in the next section we gave him the power to go into the open market and buy sugar from wherever he could buy it, without in any manner making it possible for the countries from whom we purchased to believe that we were giving them an allocation of sugar. We would buy on the open market, the same as anybody else would buy from those foreign countries.

As certainly as we pass the resolution, we shall give ourselves more trouble than we now have. We will only multiply our troubles with the countries of South America and Central America. They are very, very sensitive people. They cannot be made to understand why it is that we allocate to them 10,000 tons this year, and give them the right to sell that and obtain a 2-cent differential, and then the next year take it away from them. They will not understand that.

Mr. AIKEN. Mr. President, will the Senator yield?

Mr. ELLENDER. I yield.

Mr. AIKEN. May I ask the Senator from Louisiana if he has any copies of the proposed bill on that side of the aisle? I am being accused of having the only copy available on this side of the aisle.

Mr. ELLENDER. I have a committee print of the House bill.

Mr. AIKEN. Good. Then there are two copies.

Mr. MORSE. There are only two on the floor of the Senate, I am advised.

Mr. ELLENDER. Mr. President, I shall be glad to yield the floor for the time being.

Mr. HICKENLOOPER. Mr. President, will the Senator yield?

Mr. ELLENDER. I yield.

Mr. HICKENLOOPER. I should like to ask the Senator from Louisiana, who is chairman of the Committee on Agriculture and Forestry, if he believes it would be a practical solution to this problem, and would serve the immediate purposes of the moment, if we merely struck everything in the House sugar bill as it came over and substituted the language of the Senate resolution which we sent to the House today, or yesterday, or whenever it was, with respect to the authority of the President.

Mr. ELLENDER. I would much prefer that, except that in so doing we will lose the only vehicle we have with which to write a sugar bill when we return in August.

Mr. HICKENLOOPER. Yes; I understand.

Mr. ELLENDER. What will happen, as I pointed out, is that there will be delays on the part of the House. The House will wait, just as surely as I am speaking, until perhaps 2 days before Labor Day, which will be about when we might expect to adjourn, put a bill on the desk, and say, "Pass that or get nothing." That is what will happen again. That, to me, is one of the main reasons why we should not use this bill tonight in order to do what the distinguished Senator from New Mexico and other Senators have proposed.

Mr. DIRKSEN. Mr. President, we have three segments of government to consider with reference to this proposal. The first is the House, where it originated. The House has some pride about it. That was evidenced by the resolution they sent over, lecturing us on their constitutional prerogatives and the evasion of those prerogatives by the Senate. That is not unusual. I remember all the speeches I made on the House floor when I was a Member, and how I used to scold the Senate, as my distinguished friend, Representative ANDERSON remembers. He served with me and remembers well how we stood on our prerogative and scolded the Senate.

Still, we must be mindful of the fact that the House has sent us a bill. We cannot simply take the position that the Senate will entirely dictate what will happen in this field. That is the first point.

Second, the President and the State Department have some interest in this matter. I have talked with representatives of the State Department. They think we have this measure in reasonably good shape, notwithstanding all the speculations as to its impact on foreign policy and what it may do to our relationships with Latin American countries. I can say that with knowledge and with authority now.

We have the President to consider. I think I can speak with knowledge on that subject, after a discussion with the White House not too long ago. This bill would be acceptable. All of those factors must be considered if we plan to tear the bill apart.

Second, I point out that we forget that we are amending the title of the bill. As it came from the House, it was to extend for 1 year the Sugar Act of 1948, as amended. The title has been amended, as suggested by the distinguished Senator from New Mexico. It reads: "To Amend the Sugar Act of 1948, as Amended." We do not extend the act which dies on December 31 of this year. We merely amend it, and then we will give further attention to the matter when we return on August 8, after the recess.

The third thing I point out is that we give the President the power, notwithstanding the provisions of title 2, for the remainder of 1960, from now, during the existence of the Sugar Act and no further, to deal with the Cuban situation.

The President may do one thing or another, but this I know: The intensity of his feeling on this subject, because of the deterioration of that condition, is such that he is quite insistent that he have a weapon with which to deal with the situation before Congress goes home.

If we fail to do so, assuming, of course, that it is constitutionally appropriate and correct, the President will call us back. I believe I can say that tonight on the Senate floor with authority, and with the approval of the White House, because evidently the executive department is in possession of information with respect to Cuba which we do not possess. That is the reason why there is such an intensity of feeling on this subject.

So something must be done. If we do not do it tonight—assuming, of course,

that the House waits on us—then of course we shall have to do it next week—either on Monday or Tuesday or Wednesday, or sometime before we leave Washington. That is just as certain as it is certain that I am standing in the Senate of the United States tonight.

Next, we struck out some of these complicated provisions.

And then—in line with the new suggestions offered by the distinguished Senator from New Mexico, a one-time very distinguished Secretary of Agriculture, who was the Secretary of Agriculture when I was chairman of the House Subcommittee on Agriculture, and had to deal with him on this very subject, as he so very well knows—what we do: If we are going to cut a quota somewhere and if we are going to make provision for providing sugar for the American people, we have to find a deficit. Where shall we find it? The bill first said "shall first be allocated to other foreign countries." By means of the amendment, that has now been modified to say that it "may first be allocated to other foreign countries." That takes care of the five countries enumerated by the Senator from Oregon.

The next amendment is to change, on page 4, in subparagraph (ii) the word "shall" to "may", so there "may next be apportioned to the Republic of the Philippines 15 per centum of the remainder of such importation." That puts the discretion into the hands of the President.

Does any Senator think the President will deal inequitably not only with the foreign countries, but also with the Philippines? Certainly not if we know the temper of the President. He is one of the fairest and most equitable persons ever to grace the White House, and he will rely on the suggestions and the advice of those who have competence and expert knowledge in this field.

Finally, we say: "The balance, including any unfilled balance from allocations," and so forth, "may be purchased" in certain areas. Why was that done? It was done for a very good reason. The State Department and the White House were fearful that if we left the word "shall" in the bill, the President would have to buy sugar from Trujillo—from the Dominican Republic; and that gave the President great concern. So that part has been modified.

When we stop and consider that we have to satisfy the Senate and satisfy the House and satisfy the State Department and satisfy the Chief Executive, I think this bill—notwithstanding the fact that it comes here at a most unseasonable hour, when the spirit droops and when the mind is not too acute and not too perceptive—and I do not mind confessing publicly that I am growing pretty tired, myself, because I got in bed at 2 o'clock yesterday morning, and now the clock shows 5 minutes after 1—raises this question: Assuming that the House will wait, are we going to get this job done, and for how long? Until August 8, no longer. Then we will be back here, to work our will on it, because we shall not have extended the Sugar Act; we shall simply have amended it, to provide emer-

gency powers to the President. And at the same time we shall make it possible to procure sugar from various areas, and still maintain a very sweet relationship with those countries. [Laughter.]

Mr. President, that is a sugary relationship. [Laughter.]

If I know the temper of the President, he would proceed most cautiously, so as not to offend any country, and would express the hope that after we have returned from the recess, the Congress would quickly give this matter primary consideration, because the Sugar Act expires on December 31, and this measure does not extend the act; it merely amends it.

Mr. LONG of Louisiana. Mr. President, will the Senator from Illinois yield?

Mr. DIRKSEN. Mr. President, I have stated my case; but I shall be glad to yield.

Mr. LONG of Louisiana. The change of the word "shall" to "may" makes a great amount of difference, as the Senator from Illinois well knows.

Mr. DIRKSEN. Yes; I think so.

Mr. LONG of Louisiana. In view of the changes, it seems to me the measure is put pretty much in line with what the Senate agreed to, by unanimous vote, as temporary authority to handle this matter, which the President could exercise during the next 30 days. Upon that basis, I feel very much more attracted to it.

Mr. DIRKSEN. Mr. President, I have one further observation to make, and then I shall resume my seat: I assume that the distinguished Senator from Oregon [Mr. MORSE] will offer a substitute which, in effect, will leave in only the Cuban portion, on page 3 of the measure, and will strike out all else. I have not seen the text; but from his discussion, I assume that is what he will do.

If that is what he does, the measure then will say nothing, of course, about procuring sugar to meet the deficit if the Cuban quota is cut. This has some specifics; but under the new amendment offered by the Senator from New Mexico, it will be put on a permissive basis, not a mandatory basis, and will effectuate the same result.

Finally, let me point out that a little pride is involved—the pride of the House of Representatives. I do not want to affront the House. I think this bill, with these suggestions and these amendments, is the most agreeable thing we can do; and I earnestly and fervently hope that although it is 10 minutes after 1, the House of Representatives will still be patient a while longer, and that we can get this matter disposed of.

Mr. President, I am prepared to vote.

Mr. BENNETT. Mr. President, I direct the attention of the Senator from New Mexico to the changes he has just now suggested.

I suggest that on page 4, in line 3, we do what we did in line 16, namely, change the word "allocated to" to "purchased from." We do not want to create the impression of an allocation, at that point in the bill, any more than we did in the line farther down on that page.

Would the Senator consider that would be a wise extension of his second amendment?

Mr. ANDERSON. I think the Senator's suggestion improves my amendment, and I modify my amendment, in line 3, to read "There may be purchased from other foreign countries."

The PRESIDING OFFICER. The modification will be made.

Mr. BENNETT. And in line 11, should we not use the same language—"There may be purchased from the Republic of the Philippines"?

Mr. ANDERSON. Yes; and I so modify the amendment in line 11.

The PRESIDING OFFICER. The amendment will be modified accordingly.

Mr. ANDERSON. I thank the Senator from Utah.

Mr. HOLLAND. Mr. President, I believe one thing has not been mentioned—namely, that by the language on page 3 of the bill, a certain part of the Cuban allotment, if it were canceled, would come to domestic sugar producers to fill, if they had the sugar with which to fill it. I do not believe that has been mentioned.

Senators will note in lines 21 to 23 that that is set forth in these words:

Provided, however, That any part of such quantity equivalent to the proration of domestic deficits to the country whose quota has been reduced may be allocated to domestic areas.

I call attention to that fact, because in the memorandum coming from Mr. Myers, I note that 161,800 tons would come under that classification—that is, Cuba's share of deficits which will go to her within the next few days unless the President is left with power to cancel that. And, judging from what I have heard about the sugar that is available in this country, I think much of that would be available to be supplied.

Mr. AIKEN. Mr. President, I am not convinced by the arguments of the Senator from Illinois that the changing of the word "shall" to "may" changes the situation in the least, but the bill is still restricted to the same countries under the word "may" as under the word "shall." I do not see that it makes the slightest bit of difference.

Here we are trying to write a sugar bill, even though a temporary one, at 10 minutes past 1 on Sunday morning, and there are many people to be affected by what we do here tonight: the domestic cane producers, the beet producers, the foreign countries with which we try to get along on reasonable terms, the domestic consumers—180 million of them—and, if one wants to add another group, those who have investments in the sugar industry. They are a reasonably important consideration.

I think we are making a horrible mistake in trying to write a sugar bill at this late hour.

If the President wants authority to deal with the Cuban situation, he can find it in the five lines at the top of page 3, and he does not need the rest of the complicated bill.

I cannot, for the life of me, see how anyone expects us to vote on all the com-

plicated matter contained in the bill. We do not have copies of the bill. We do not have information on it. We have had no hearings of any kind.

I think it is going to be pretty bad business, and possibly costly business, if we try to write a sugar bill at 10 minutes past 1 o'clock on Sunday morning.

SEVERAL SENATORS. Vote! Vote! Vote!

Mr. AIKEN. Mr. President, we ought to have a quorum here, and I suggest the absence of a quorum. If anyone wants to ride roughshod over the Senate, let him try it, but I want a quorum.

Mr. MORSE. Mr. President, will the Senator withhold his request?

Mr. AIKEN. Yes.

Mr. MORSE. Mr. President, I am aware of the pressures being exerted to obtain an immediate vote, but I have been in this situation, in my 16 years in the Senate, so many times that shouts of "vote" do not bother me when I want to serve notice of a mistake the Senate is about to make.

I agree with everything the Senator from Vermont has said. He is one of the most able members of the Foreign Relations Committee. He and I have traveled throughout Latin America, as have other members of the committee. We have been confronted in capital after capital all over Latin America with the sugar quota problem. It happens already to be one of the causes of a tremendous amount of discontent through Latin America. In spite of all the work we have been trying to do on the Foreign Relations Committee in respect to it, we are confronted here, on this Sunday morning, at 1:15 a.m., with pressures for speedy action on the part of the Senate of the United States, without a minute of hearings on the proposal, on the sugar quota problem, that is going to arise to plague us time and time again.

The Senator from Vermont is correct when he points out that changing the word "shall" to "may" does not in any way change the fact that the House proposal, in effect, limits the action to the countries mentioned therein, and they are going to continue to believe they have some rights vested in them through the passage of this bill.

The countries in Latin America are not interested in parliamentary gymnastics in the Congress of the United States over the word "shall" or "may." So far as they are concerned, they will think the word "may" gives them the same right as the word "shall." I invite Senators to go down there to try to explain the difference to them, and they will see what the response will be.

As the Senator from Vermont has pointed out, we do not have to have the Anderson amendments in the bill other than the provision which provides authority to the President to take the action necessary in order to fix the Cuban quota.

Let us look at what the administration has said to us in the Foreign Relations Committee. I am accustomed to hearing, at the last minute in debate, about some telephone conversation that has been held between the leader of the Senate and the White House, or the State

Department, or some other department of the Government. It always makes a great deal of difference when one has those representatives before the committee, in hearings, presenting testimony, and subject to examination upon that testimony.

We have had representatives of the State Department before the Foreign Relations Committee, and they have never testified in support of any such proposal as that before the Senate tonight. What they have testified to is that they need the very substitute the Senator from Vermont and the Senator from Oregon are going to offer before the Senate finally disposes of the matter. Whether the Senate likes it or not, the Senate is going to be given the chance to vote on it, and there is going to be an urging to have a yea and nay vote on it, because on a matter as vital as this, I think Members of the Senate ought to stand up and be counted on a record vote.

Representatives of the executive department have come before the Foreign Relations Committee. We have had several briefings on this matter in which there have been discussions of the sugar quota problem. Every time the State Department representatives have talked to us, they have talked to us in terms of the recommendation that we give to the President the power the substitute we are going to offer will seek to give to him to administer the Cuban quota this year. The important thing is to give the President the power. The State Department officials have said that this is the important thing, when they have been given the opportunity to testify on it.

I am not at all persuaded by the report of the Senator from Illinois that the administration would go along with the bill. I expect the administration would, if it thought it could not get anything better. But I am satisfied that if the administration were given the opportunity to testify on this matter and to express its preference, it would not say it wanted the pending proposal, but it would say it wanted the power to be given to the President for the time being, until the Congress can work out a strong Sugar Act. That should be the job before us when we get back here in August, and that is what we should do, rather than to create the problems we are going to create by adopting the Anderson amendments in their present form.

Mr. President, we have had a great deal of trouble in Guatemala, and we have taken a pretty vigorous stand as a nation with regard to Guatemala. Things have been coming along in Guatemala. I know of no Latin American government that has been more anti-Castro than has Guatemala in recent months. But it is also well known that Guatemala thinks it is getting a raw deal on sugar, and our Government's policies on sugar toward that country are a source of ill will. We shall make it worse tonight if we adopt the Anderson amendments in their present form, because the people of Guatemala are going to interpret the action as leaving them outside, looking in.

Ecuador is another country in which we have some serious problems. In Ecuador the sugar policy is one of the bases of criticisms of Ecuador against the United States. We are about to adopt amendments tonight that will be interpreted by many persons in Ecuador as being another slap in their face, and as playing into the hands of the Communists in Ecuador.

There is El Salvador. We are having our troubles in El Salvador. Here, again, American sugar policy is one of the bases of the criticisms against the United States, and they are going to interpret the amendments as a slap in their face.

I have already mentioned Colombia, Venezuela, and Brazil.

I am at a complete loss to understand how we can be this shortsighted. There can be no excuse that we are under pressure and that we can justify this action because we are under pressure.

The fact is that all we need to do between now and August 8 is to pass that section of the Anderson amendments which the Senator from Vermont pointed out would give to the President the discretionary power to follow the course of action he thinks necessary in our best national interest in respect to the Cuban sugar quota.

The Senator from Illinois says that my substitute is not going to do anything about the deficit. We do not need to do anything about the deficit between now and August 8. If we return August 8, we can take care of the deficit problem then. We do not have to take care of the deficit problem in any amendment adopted tonight.

The job before the U.S. Senate tonight is to adopt what we believe is a sugar program which will be in the best foreign policy interests of the United States.

What Senators are trying to do, in my judgment, is to fly in the face of facts on the basis of the argument that the House has the heat on.

Mr. President, I do not scorch very easily. I have an asbestos hide.

I think we ought to submit the situation to the House. The House has some responsibility, too, in respect to American foreign relations in Latin America. I have great respect for the Members of the House of Representatives. I have such respect for the Members of the House of Representatives that I think if we took a little time between now and sunrise for people in the House to explain to the Members of the House the problems the bill will create in Latin America, the House Members will decide, now that we have respected their procedural rights, and now that the bill goes to them in a proper parliamentary form, that they should recede from their position and join with us in the position that they, also, do not wish to follow a course of action which would create greater problems between the United States and the countries of Latin America.

I do not ask Senators to follow this course of action merely because those of us on the subcommittee which deals with Latin American affairs of the Senate Committee on Foreign Relations are seeking to warn the Senate—we hope before it is too late—about the great

mistake the Senate may make tonight. The chairman of the Committee on Agriculture and Forestry [Mr. ELLENDER] has also warned Senators. The Senator from Louisiana [Mr. LONG], who is one of the members of the Committee on Foreign Relations, and one of our keen students of Latin American problems, has been warning the Senate.

This is not a time for haste. Now is a time to put up a sign in the Senate, saying: "Go slow. Take your time."

Although I think we could do what I have suggested between now and morning, if we do not wish to do it that way, if we wish to have more time, and even though I should like to see us recess between now and morning, in my judgment we ought to come back on Monday and take more time to legislate on Monday.

I do not think we ought to go along with what I am satisfied will prove to be a great mistake insofar as American foreign policy is concerned.

The PRESIDING OFFICER. The question is on agreeing to the amendments offered by the Senator from New Mexico [Mr. ANDERSON.]

Mr. AIKEN. Mr. President, I ask for the yeas and nays.

The yeas and nays were ordered.

Mr. JOHNSON of Texas. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. JOHNSON of Texas. Mr. President, I ask unanimous consent that further proceedings under the quorum call be dispensed with.

Mr. DWORSHAK. Mr. President, I object.

The PRESIDING OFFICER. Objection is heard. The clerk will continue to call the roll.

The legislative clerk resumed and concluded the call of the roll, and the following Senators answered to their names:

[No. 275]

Aiken	Green	McCarthy
Allott	Gruening	McClellan
Anderson	Hart	Mansfield
Bartlett	Hartke	Morse
Bennett	Hayden	Morton
Brunsdale	Hickenlooper	Moss
Carroll	Holland	Mundt
Case, N.J.	Hruska	Muskie
Case, S. Dak.	Humphrey	Prouty
Church	Jackson	Proxmire
Clark	Javits	Randolph
Curtis	Johnson, Tex.	Scott
Dirksen	Jordan	Smith
Dodd	Keating	Sparkman
Dworshak	Kefauver	Thurmond
Ellender	Kuchel	Williams, N.J.
Engle	Lausche	Yarborough
Ervin	Long, La.	Young, N. Dak.
Fong	Lusk	Young, Ohio

The PRESIDING OFFICER. A quorum is present.

Mr. CASE of South Dakota. Mr. President, a parliamentary inquiry.

The PRESIDING OFFICER. The Senator will state it.

Mr. CASE of South Dakota. Does the Senator from South Dakota understand the situation correctly that the vote will come on the Anderson amendments which are in the nature of perfecting amendments, and that if they should be agreed to, it will still be in order for

the Senator from Oregon [Mr. MORSE] to offer his motion as a substitute to strike and to insert a substitute?

The PRESIDING OFFICER. The amendments offered by the Senator from New Mexico are in the nature of perfecting amendments. They take precedence over a substitute. Whether they are agreed to or rejected, the proposed amendment or substitute of the Senator from Oregon will be in order.

Mr. CASE of South Dakota. Mr. President, I thank the Chair for that ruling. I think the Anderson amendments are better than the bill. I shall vote for the Anderson amendments. I think the Morse substitute would be a further improvement and I shall then vote for the Morse substitute.

Mr. AIKEN. Mr. President, a parliamentary inquiry.

The PRESIDING OFFICER. The Senator will state it.

Mr. AIKEN. Are the Anderson amendments a substitute for the bill?

The PRESIDING OFFICER. No, the Anderson amendments are perfecting amendments, and not a substitute for the bill.

Mr. AIKEN. Then an amendment which is a complete substitute, as I assume the Morse amendment is, would be in order?

The PRESIDING OFFICER. The amendment will be in order, whether the perfecting amendments offered by the Senator from New Mexico are agreed to or rejected.

The question is on the amendments of the Senator from New Mexico as modified. The yeas and nays have been ordered, and the clerk will call the roll.

The legislative clerk called the roll.

Mr. MANSFIELD. I announce that the Senator from Virginia [Mr. BYRD], the Senator from Virginia [Mr. ROBERTSON], the Senator from West Virginia [Mr. BYRD], the Senator from Nevada [Mr. CANNON], the Senator from New Mexico [Mr. CHAVEZ], the Senator from Illinois [Mr. DOUGLAS], the Senator from Mississippi [Mr. EASTLAND], the Senator from Delaware [Mr. FREAR], the Senator from Alabama [Mr. HILL], the Senator from South Carolina [Mr. JOHNSTON], the Senator from Georgia [Mr. TALMADGE], the Senator from Oklahoma [Mr. KERR], the Senator from Michigan [Mr. McNAMARA], the Senator from Oklahoma [Mr. MONRONEY], the Senator from Rhode Island [Mr. PASTORE], the Senator from Georgia [Mr. RUSSELL], the Senator from Florida [Mr. SMATHERS], the Senator from Mississippi [Mr. STENNIS] are absent on official business.

I also announce that the Senator from Missouri [Mr. HENNING] is absent because of illness.

I further announce that the Senator from Nevada [Mr. BIBLE], the Senator from Tennessee [Mr. GORE], the Senator from Arkansas [Mr. FULBRIGHT], the Senator from Massachusetts [Mr. KENNEDY], the Senator from Hawaii [Mr. LONG], the Senator from Washington [Mr. MAGNUSON], the Senator from Wyoming [Mr. McGEE], the Senator from Montana [Mr. MURRAY], the Senator from Wyoming [Mr. O'MAHONEY], the

Senator from Missouri [Mr. SYMINGTON] are necessarily absent.

I further announce that, if present and voting, the Senator from Nevada [Mr. BIBLE], the Senator from West Virginia [Mr. BYRD], the Senator from Nevada [Mr. CANNON], the Senator from Illinois [Mr. DOUGLAS], the Senator from Mississippi [Mr. EASTLAND], the Senator from Delaware [Mr. FREAR], the Senator from South Carolina [Mr. JOHNSTON], the Senator from Massachusetts [Mr. KENNEDY], the Senator from Washington [Mr. MAGNUSON], the Senator from Wyoming [Mr. McGEE], the Senator from Michigan [Mr. McNAMARA], the Senator from Rhode Island [Mr. PASTORE], the Senator from Virginia [Mr. ROBERTSON], the Senator from Florida [Mr. SMATHERS], the Senator from Mississippi [Mr. STENNIS] would each vote "yea."

Mr. KUCHEL. I announce that the Senator from Maryland [Mr. BEALL], the Senators from New Hampshire [Mr. BRIDGES and Mr. COTTON] and the Senator from Massachusetts [Mr. SALTONSTALL] are necessarily absent.

The Senator from Indiana [Mr. CAPEHART] is absent on official business.

The Senator from Iowa [Mr. MARTIN] is absent by leave of the Senate on official business.

I also announce that the Senator from Maryland [Mr. BUTLER], the Senator from Arizona [Mr. GOLDWATER], the Senator from Connecticut [Mr. BUSH], the Senators from Kansas [Mr. CARLSON and Mr. SCHOEPP], the Senator from Kentucky [Mr. COOPER], the Senator from Wisconsin [Mr. WILEY], and the Senator from Delaware [Mr. WILLIAMS] are necessarily absent. If present and voting, the Senators from Maryland [Mr. BEALL and Mr. BUTLER], the Senators from New Hampshire [Mr. BRIDGES and Mr. COTTON], the Senator from Connecticut [Mr. BUSH], the Senator from Indiana [Mr. CAPEHART], the Senator from Kentucky [Mr. COOPER] and the Senator from Massachusetts [Mr. SALTONSTALL] would each vote "yea."

The result was announced—yeas 50, nays 7, as follows:

[No. 276]

YEAS—50

Allott	Green	Lusk
Anderson	Gruening	McCarthy
Bartlett	Hart	McClellan
Bennett	Hartke	Mansfield
Brunsdale	Hayden	Morton
Carroll	Hickenlooper	Moss
Casc, N.J.	Holland	Mundt
Case, S. Dak.	Humphrey	Muskie
Church	Jackson	Scott
Clark	Javits	Smith
Curtis	Johnson, Tex.	Sparkman
Dirksen	Jordan	Thurmond
Dodd	Keating	Williams, N.J.
Dworshak	Kefauver	Yarborough
Engle	Kuchel	Young, N. Dak.
Ervin	Lausche	Young, Ohio
Fong	Long, La.	

NAYS—7

Aiken	Morse	Proxmire
Ellender	Prouty	Randolph
Hruska		

NOT VOTING—43

Beall	Capehart	Fulbright
Bible	Carlson	Goldwater
Bridges	Chavez	Gore
Bush	Cooper	Hennings
Butler	Cotton	Hill
Byrd, Va.	Douglas	Johnston, S.O.
Byrd, W. Va.	Eastland	Kennedy
Cannon	Frear	Kerr

Long, Hawaii	O'Mahoney	Stennis
McGee	Pastore	Symington
McNamara	Robertson	Talmadge
Magnuson	Russell	Wiley
Martin	Saltonstall	Williams, Del.
Monroney	Schoeppel	
Murray	Smathers	

So the amendments were agreed to.

Mr. ANDERSON. Mr. President, I move to reconsider the vote by which the amendments were agreed to.

Mr. HOLLAND. I move to lay on the table the motion to reconsider.

The motion to lay on the table was agreed to.

Mr. MORSE. Mr. President, I offer an amendment in the form of a substitute which I send to the desk and ask to have stated.

The PRESIDING OFFICER. The clerk will state the amendment for the information of the Senate.

The LEGISLATIVE CLERK. It is proposed to strike out all after the enacting clause and to insert the following:

That notwithstanding the provisions of the Sugar Act of 1948, as amended,

The President shall determine the quota for Cuba under such Act for the balance of the calendar year 1960 in such amount or amounts as he shall find from time to time to be in the national interest.

The PRESIDING OFFICER. The question is on agreeing to the amendment of the Senator from Oregon.

Mr. CASE of South Dakota. What was the year reference? Was it fiscal year 1960?

Mr. MORSE. 1960. It is the same as in the bill.

Mr. CASE of South Dakota. Is it the calendar year?

Mr. MORSE. I took it from the bill.

Mr. ALLOTT. Which is it? It makes quite a bit of difference.

The PRESIDING OFFICER. The Chair is advised that the amendment reads "calendar year."

Mr. JOHNSON of Texas. The Senator from Oregon says he is willing to limit debate to 10 minutes on each side, if he can have the yeas and nays on the amendment.

If that is agreeable, all Senators will know that we shall vote shortly. I ask that 10 minutes of debate be allowed on each side, and that the yeas and nays be ordered.

The PRESIDING OFFICER. Is there objection to the unanimous-consent request with respect to the time limitation?

Mr. HICKENLOOPER. Mr. President, reserving the right to object, I would like to have a half minute out of the 10 minutes. I shall not object to the 10-minute limitation.

The PRESIDING OFFICER. Is there objection to the unanimous-consent request with respect to the time limitation? The Chair hears none, and it is so ordered.

Mr. JOHNSON of Texas. I ask for the yeas and nays.

The yeas and nays were ordered.

Mr. MORSE. I should like to ask the Senator from South Dakota [Mr. CASE] a question in regard to the question which he raised. Is the amendment in its present form the way he wanted it?

Mr. CASE of South Dakota. I wanted it to apply to the calendar year, because the fiscal year 1960 has already passed.

The PRESIDING OFFICER. How much time does the Senator from Oregon yield himself?

Mr. MORSE. I yield myself 3 minutes.

We have already debated this matter at great length. I merely wish to summarize what I have already pointed out.

First, my amendment puts the Senate in the same position it was in when we sent the resolution to the House originally, except that we are now in proper parliamentary form. We have the proposal as an amendment to a House bill. We have respected the rights of the House, which should always be respected.

Second, as I have pointed out, the Anderson amendment, in my judgment, can create serious difficulties throughout Latin America, because it will be interpreted as a slap in the face of a considerable number of Latin American countries, such as Brazil, Colombia, Venezuela, El Salvador, Ecuador, and Guatemala. Let us not forget that these countries are among our greatest friends, and are very outstanding anti-Castro nations.

Mr. AIKEN. Mr. President, will the Senator yield?

Mr. MORSE. I yield.

Mr. AIKEN. I should also like to point out that if the authority in the Anderson amendments is granted to the President and he reduces the Cuban quota for sugar, without allocating it to any other countries, the price of sugar to the consumers in America will go up, and someone is going to make a big killing.

Mr. MORSE. The Senator from Vermont stresses the fact that the American consumers have a great interest. We pointed out that we have had no hearings on this matter, which involves a very important American foreign policy problem.

I yield myself 2 additional minutes.

When the administration witnesses have appeared before the Committee on Foreign Relations in regard to the sugar matter—and they have been before us several times—they have been urging that we place in the hands of the President some kind of power to administer the Cuban quota, as a weapon with which to meet the Cuban crisis. This is what I have proposed to do in my amendment.

Even though the hour is late, I believe the House ought to be given an opportunity to strengthen the President's hand without, at the same time, following a course of action which will weaken our position in a great many parts of Latin America.

We are to return on August 8, and on August 8 we can start to come to grips with the sugar bill problem.

The Senator from Illinois [Mr. DIRKSEN] has said that my amendment does not take care of the deficit problem. That is true. It is not intended to. The Sugar Act should do that. We should decide that problem in August, when we get back. We should then have full hearings, with State Department officials giving testimony in chief and on cross-examination. In this way we can find out on the record what the administration needs in order to handle this problem.

I now yield 1 minute to the Senator from Iowa.

Mr. HICKENLOOPER. Mr. President, I agree with the general observations of the Senator from Oregon. The House bill, as it came to the Senate, would, in my judgment as a member of the Foreign Relations Committee, raise some very complicated international problems, especially with Latin America and some of our friends.

I believe that the bill with Anderson perfecting amendments is much better than the House bill as it came over. Therefore, I voted for the Anderson amendments, so that if we could not get the substitute which the Senator from Oregon is offering, we would at least have the Anderson amendments.

I believe that what the Senator from Oregon is offering—and it is in effect the resolution which was sent to the House by the Senate earlier—is infinitely better than the Anderson amendments. It will give the President leeway to handle the situation without manipulating the quotas and causing embarrassment. It will answer the question. Then when we come back we can give orderly consideration to the matter and proceed in an orderly way that will be satisfactory all around.

Mr. MORSE. I yield 2 minutes to the Senator from Nebraska.

Mr. HRUSKA. Mr. President, I should like to point out that by the adoption of the measure now before the Senate we will be redoing what we did last night, by adopting the substance of the resolution which was approved by the Senate and sent to the other body.

That is precisely what we will be doing under the proposal of the Senator from Oregon. The situation is simple. We will have had no hearings whatever in that regard. It involves many serious implications. The cry of the Nation today is for some implementation of means to deal with some shameful conduct by those in charge of the Cuban Government, which has been directed against citizens and investors of this Nation.

If the Senate rejects the amendment of the Senator from Oregon it will mean that we will fail to face up to our responsibility.

Mr. MORSE. I reserve the rest of my time. I am willing to yield back the remainder of my time if the other side is willing to do the same.

Mr. JOHNSON of Texas. I yield 2 minutes to the minority leader.

Mr. DIRKSEN. Mr. President, it would be fantastic if after marching up the hill we were to march down again, and strip the Anderson proposal. The Senator from Oregon takes just about everything out of it and leaves only the naked provision with respect to the authority over the Cuban quota. He says of course it was not expected to deal with the deficit. It will be a month before we return. It will be another month before we get anything on the books. That is one-sixth of a year. When we are dealing with 9 million tons of sugar which the country needs every 12 months, there are involved 150 million tons.

The Anderson amendment provides on a permissive basis what we are to get

from foreign countries. The distinguished Senator from Vermont says it does not change the countries. Certainly it does not. But the President does not have to buy 1 pound from those countries if he does not want to do so. It is permissive as to the Philippines. It gives the President the power to meet the situation, and he is not compelled to buy from Trujillo of the Dominican Republic.

If we are going to strip the bill of the Anderson amendments, I do not know what the House will do. I have an idea that perhaps they will reject the bill, and that will be the end of it. This is not said as a threat. I simply say that if what has been disclosed means that this situation has deteriorated, we either stay here or we come back and meet the problem.

I believe the bill as it stands is in good form. I do not propose to strip it to nothing more than a naked power dealing with the Cuban quota, leaving unsaid, unsolved, and unanswered the question of what the President permissively can do to fill the deficit in the American sugar bowl to the extent of 150 million tons, before we can work our will on this matter again.

This measure does not extend the act. The title has been amended. The proposal amends the Sugar Act of 1948 and gives the President power. It defines within permissive range what shall be done, taking into account the interest of the State Department, which goes along with the measure, and the interest of the White House, which goes along with it and has to exercise the power.

Having a proper regard for the other branch of the legislative establishment, it seems to me that we best serve their purpose by supporting the so-called Anderson proposal, and rejecting the Morse substitute.

Mr. BENNETT. Mr. President, will the Senator from Texas yield 2 minutes to me?

Mr. JOHNSON of Texas. Mr. President, I yield 2 minutes to the Senator from Utah.

Mr. BENNETT. What is before the Senate is the language which was before us earlier, when the issue was before us, and the question was raised whether the President could acquire sugar if there were no specific provisions in the amendment.

I have made inquiries, and have received information to this effect.

Those of us familiar with the operations of the Commodity Credit Corporation of the Department of Agriculture know that under its broad power it has the authority to buy such sugar as may be needed as a result of any action which the President might take under this resolution. For many, many years the Commodity Credit Corporation has in times of emergency purchased commodities of all kinds at times and places and at prices needed to protect the national interest.

If the President under the bill, as amended, should in effect reduce the Cuban quota, then the sum total of the quotas under the act would be less than the Secretary's estimate of the amount

adamant, that they are well satisfied that they know what the President should do if he reduces the Cuban quota. They have precedent on their side. The Sugar Act has never been one under which the executive has been permitted any considerable amount of discretion. The committees of Congress have always carefully said what the President could do if he had more sugar to allocate. It has not been left discretionary with the President.

That is the one reason why we find ourselves confronted with the necessity of passing the bill, because historically every time there has been a reduction of quotas, the act spelled out what foreign countries would get and what domestic producers would get. The House was willing to accept the Senate language in which the word "allocation" was stricken in each case, and the word "purchase" was substituted therefor. I believe that suggestion was made on the floor by my distinguished colleague [Mr. ELLENDER], and also by the very able Senator from Utah, [Mr. BENNETT] because we wished to make clear that the precedent that would exist should not be the basis for any producing country claiming any vested right that by virtue of selling to the United States more sugar, we owed to that country an obligation to buy more sugar from it in the future.

The mandatory requirement, of course, would mean that the small countries would be the first to be considered in the event that there is a reduction. For example, countries like Panama, which is selling less than 10,000 tons—a small amount but meaningful to them—could come up to a minimum of 10,000 tons first. That is a relatively small amount of sugar compared with the amount that is involved in the act. When that is done, the Philippine quota of 15 percent of the Cuban reduction would be allowed.

There was no real basis for much quarrel between the Senate and the House on that question. It is my understanding that the administration, if granted discretionary power, intended to purchase more than 15 percent from the Philippines. On the other hand, the Philippines would much prefer to have the quota spelled out in mandatory language. It would rather have mandatory language in the act than to have a promise that a quota would be subject to the executive branch changing its mind.

So as far as the Philippines are concerned, what they probably get as a result of taking the House position is a little less sugar than they would get otherwise, but a more firm commitment, which they would prefer.

The junior Senator from Louisiana was reluctant to accept that phase of this mandatory portion, which would mean that the so-called full tariff areas, which are the large producing areas in which we presently buy sugar—such as Peru, the Dominican Republic, and the Republic of Nicaragua—have big quotas, and would expect to get the largest increases in the event there is a major reduction insofar as Cuba is concerned. However, the House was absolutely adamant upon that point. I can only say

that I do not believe the House would yield on the point. So far as the junior Senator from Louisiana is concerned, if this were the early part of the session, I would be willing to sit and fight it out for 3 or 4 months, but I doubt whether the House will yield.

We have the assurance that when we come back in August we can send the House the same bill. It has firmly committed itself to giving us that opportunity. It will send us a bill on which to act and take this issue up with us if we wish to make this power discretionary in August.

Mr. BENNETT. Mr. President, will the Senator yield?

Mr. LONG of Louisiana. I yield.

Mr. BENNETT. I wish to make clear that Mexico was included in the list of countries the Senator mentioned, although the Senator did not mention Mexico itself. There was a great deal of interest in that situation.

Mr. LONG of Louisiana. I regret very much that I neglected to mention it. I thought I had included Mexico. Peru, the Dominican Republic, Mexico, and Nicaragua, in that order, would be the nations that would be most benefited. To a lesser degree, Haiti would be benefited. The Netherlands would be benefited to a small amount, at present that Nation receives only 3,000 tons a year. Of course, a country like Peru could expect a major increase.

I discussed this matter after leaving the conference, with a representative of the State Department. It was his position that the Department very much hoped that we would agree to the conference report. The State Department would prefer to have the President's power entirely discretionary. I doubt very much that the Senate Committee on Finance, after it studied the subject, would be willing to give the President discretionary power. I believe the strongest argument for discretionary power, if we ever had a chance to study the subject to know what we would be willing to do, would be that we would be willing to trust his discretion for a short period of time. However, I believe that the Finance Committee and a majority of the Senate will, when they have had a chance to study the matter, insist on mandatory requirements as to what the President can do.

Some years ago when we had the last Sugar Act before us, the State Department said it would prefer more discretion, but recommended how the mandatory provision should be drafted, and we took its recommendation.

I wish we could have brought the Senate everything the Senate agreed to. I personally would like to have given the President more discretion. If we do not pass this bill, the probabilities are that we will do what the State Department most fears and what the administration most fears, and that is that the act we have on the books now, with its mandatory provisions, will force the President to accord Castro a major increase this very month. That is out of all accord with logic and reason, with our properties and investments being seized down there, and every indication of unfriendliness

from the rulers of that country. However, unless we change the law it would accord a major additional advantage to an unfriendly government.

Mr. HICKENLOOPER. Mr. President, will the Senator yield?

Mr. LONG of Louisiana. I yield.

Mr. HICKENLOOPER. I may have some comments on the report later in the discussion. However, with reference to one statement which the Senator made about the attitude of the State Department, I talked with the same representative of the State Department to whom the Senator from Louisiana talked, and I think my understanding is slightly different as to what he said.

Mr. LONG of Louisiana. Let us say that we did not talk with the same man at the same time, but at different times.

Mr. HICKENLOOPER. The statement was made to me by others, and I talked with this representative later, and the representative of the State Department said to me that they could "live with this report." I said, "What do you mean by that?"

He said, "Well, we have to live with what Congress gives us to live with. If this is what Congress gives us, we can live with it, or with no bill at all. We can live with the law that the Congress gives us to live with. We do not like it, but if we have to live with it, we can live with it."

I gained the very definite impression that they do not like any part of this conference report. If they get it, they get it, and that is all. They would prefer the discretionary provisions that were in the Anderson amendment. Probably they would prefer the provisions that were in the Morse amendment. I am not sure, but I believe it is even more discretionary and would give greater leeway to the administration to adjust these things. I wished to make that clear.

Mr. LONG of Louisiana. Looking at the situation from hindsight, I wish the Senate had agreed to the Morse amendment. I voted for the Morse amendment. I believe we might have had a better chance if we had gone to conference with a proposal that merely permitted the President to cut the Cuban quota. However, one thing that made it difficult for the Senate conferees was that the State Department representatives told the House committee that the Department could live with this provision. They had gone to the House committee which had held hearings—of course we had no opportunity to hold hearings on it at all—and they asked for complete discretion in the President, as the Morse amendment and the Bennett proposal would have given.

The House committee said, "We are not disposed to give you that power. We are going to settle it in the law how you will redistribute this sugar in the event you reduce the quota for Cuba." They have all the precedents on their side, because this was what had been done.

The State Department said it could live with the provision. The committee said, "There be a 1-year extension." The State Department said, "We can live with it." The House conferees said, "If

the State Department is willing to support it, we will favor it."

One can see that that does not help the position of the Senate conferees in trying to get complete discretionary power for the President.

Mr. HICKENLOOPER. That reminds me of the statement that if a certain situation is inevitable, there is often only one thing that can be done.

Mr. LONG of Louisiana. I have often complained about losing to the House on a conference report. If this one is voted down, no one will hear me complain.

Mr. HICKENLOOPER. I hope it will be voted down.

Mr. LONG of Louisiana. Adoption of this settlement appeared to me to be the best thing we could do under the circumstances.

Mr. AIKEN. Mr. President, will the Senator yield?

Mr. LONG of Louisiana. I yield.

Mr. AIKEN. I understood the Senator to say that if we do not accept the conference report, we will be forcing a bonus into Castro's hands.

Mr. LONG of Louisiana. If we do not legislate; yes.

Mr. AIKEN. Would it not be more to the point to say, if the House insists upon our accepting an unworkable bill and an unwise bit of legislation, and forces us to the point where we have to reject it, the responsibility will rest with the House?

Mr. LONG of Louisiana. That can be charged, but I would like to warn my friend from Vermont that while basically we are not in disagreement, and I believe that he and I would like to have the President given discretion, it was my impression in trying to support the Senate's position, that there is more unanimity on the House side than there is on this side.

Mr. HOLLAND. Mr. President, will the Senator yield?

Mr. LONG of Louisiana. I yield.

Mr. HOLLAND. If I understood the report of the able chairman of the conferees, the first way in which the Senate prevailed was in the elimination of sections 1, 2, 3, and 4 from the House bill.

Mr. LONG of Louisiana. Yes.

Mr. HOLLAND. The second way, if I understood the able Senator's report, in which the Senate prevailed over the House, is that, instead of having the quota system apply throughout 1961, as provided by the House bill, the House has yielded except as to the first quarter in 1961, with the provision that the quotas shall be one-fourth of what they would otherwise have been.

Mr. LONG of Louisiana. Yes. The quotas will continue until April 1 of next year.

Mr. HOLLAND. The third way in which, as I understand, the Senate conferees have prevailed is that instead of making any allotment with reference to any tonnage of sugar taken away from Cuba, the matter of purchase is clearly outlined in every provision of the bill on that subject.

Mr. LONG of Louisiana. Yes.

Mr. HOLLAND. If I understand the Senator correctly, the Senate has prevailed in another matter, namely, that

the Senate will have an opportunity, when it returns in August, to pass upon this same legislation or a duplicate thereof, one of the objections to the action of the House bill having been that the Senate committee would not have an opportunity to pass upon the House legislation. Am I correct?

Mr. LONG of Louisiana. Yes. The Senate conferees wanted to be in a position, at least, to be assured that, so far as the rules were concerned, we would have an instrument on which we could act, and a measure which would be entitled to be voted on by the House. We have that assurance. That assurance was also given to the House when the report was agreed to. It was stated by the House managers to the House, with a rather large membership present, that this assurance was given to the Senate conferees.

Mr. HOLLAND. Am I correct in my understanding that the matter of leaving power, in the first instance, to take away any unused part of the quota of Cuba in 1960 was left in the bill and was not in conference?

Mr. LONG of Louisiana. Yes.

Mr. HOLLAND. Am I also correct in my understanding that the same law applies to the first quarter of 1961 in the event the conference report prevails?

Mr. LONG of Louisiana. Yes; the Senator is entirely correct.

Mr. HOLLAND. Is it not true, then, that the only substantial concession to the Senate which the conferees have made is in making mandatory the distribution of any tonnage taken from Cuba; making it come under the "shall" provisions of the House bill, rather than under the "may" provisions of the Senate version?

Mr. LONG of Louisiana. Yes; that is entirely correct. I believe that is as much as we shall be able to get from the House. We might go back again, confer again, and remain in session around the clock, day and night, for several more days; but I believe we shall find that there will be very little, if any, difference between what we have at present and what we will get in the end.

Mr. HOLLAND. I was informed from a memorandum furnished on information which came to me from Mr. Myers, the head of the Sugar Division, that the unused portion of the 1960 quota for Cuba is 830,000 tons; and that, according to his information, Cuba is now planning, with all speed, to dump all that amount in the United States within the next few weeks, so as to complete the shipment of her quota. In his conference with the State Department personnel did the Senator learn that same fact?

Mr. LONG of Louisiana. I have that information only by hearsay, but if I may testify from the hearsay I have, it is that Cuba is moving as rapidly as she can to get that sugar delivered to the United States as far ahead of the deadline as she can; because once she has shipped it here, she will be entitled to collect payment for it.

Mr. HOLLAND. The value of 830,000 tons at \$10 a ton, or 5 cents a pound, is, as I understand it, \$83 million.

Mr. LONG of Louisiana. That is about correct.

Mr. HOLLAND. The Senator has talked of a deficit which, under existing law, would have to be assigned to Cuba within the next few days. The memorandum from the office of Mr. Myers showed that that deficit was 161,800 tons. Did the Senator get that information likewise?

Mr. LONG of Louisiana. I do not have the exact figures, but I knew it to be a very large amount.

Mr. HOLLAND. The 830,000 tons plus the 161,800 tons make practically 1 million tons, at a value of \$100 million. As the Senator from Florida understands, we may easily be paying that much into Castro's pockets, in hard American currency, between now and the time we return in August, unless we leave some machinery in the hands of the Executive, so that the Executive can, if he feels our Nation's interests require it, which certainly seems probable, take away a part of the 1960 quota.

Mr. LONG of Louisiana. I am not certain I heard the figure the Senator gave.

Mr. HOLLAND. 100 million tons—830,000 tons plus 161,800 tons.

Mr. LONG of Louisiana. I am not such an expert on the whole situation as are the Senator from Florida and the Senator from Utah [Mr. BENNETT]; but the Senator is correct that there are in the vicinity of 100 million tons of economic benefits which can possibly go to Cuba within the next month, unless we act on this proposed legislation.

That is why the President has notified some Senators, according to what they tell me, that if we go to our national conventions, for example, without doing something about this problem, he will call Congress into session, because the matter is vital to the Nation's position; that while American-owned properties are being confiscated in many unfriendly attacks, the President's hands are tied by the act we passed some years ago, so that he cannot do anything about it.

Mr. HOLLAND. The three figures given in the memorandum which came from Mr. Myers' office are, first, 830,000 tons, the remainder of the 1960 quota, which, according to his information, is immediately to be shipped to the United States; second, 161,800 tons, the share of the deficits which will have to be apportioned to Cuba under existing law, and within the next few days, unless action is taken by Congress. The third figure given in the memorandum is 45,000 tons. On all these points I certainly hope the Senator from Utah, who has studied this matter much more closely than I, will correct me if I am in error. This relates to possible growth participation, Cuba having its full proportionate share in the growth of consumption in this Nation.

If the Senator from Louisiana will permit me to do so, may I ask the distinguished Senator from Utah if his information is in accord with that in the memorandum furnished to me from the files of my distinguished colleague from Florida [Mr. SMATHERS], who, I am sorry, cannot be here this morning.

Mr. BENNETT. It is my understanding that those figures are approximately correct. I certainly have no figures which are different.

I am glad the Senator from Florida presented them to the Senate, because we are talking here about a ruling about the President being required to give a small amount to the four or five countries getting less than 10,000 tons, and we are talking, with respect to Cuba, about a potential increase from its normal quota of around 200,000 tons—both the growth formula and the deficit allocation.

Mr. CLARK. Mr. President, will the Senator yield?

Mr. LONG of Louisiana. I yield.

Mr. CLARK. Will the Senator enlighten us a little more fully as to what the April 1 date means? I have heard something said about the crop year beginning before April 1, and it was suggested to me that in effect that meant that we were extending the period for 2 crop years.

Mr. LONG of Louisiana. The April 1 date, as I understand, would be of some assistance. I hope the distinguished Senator from Utah will hear my answer, because I may be in error, and the Senator from Utah knows more about this particular item than I do.

It is my understanding that the April 1 date affords some convenience and advantage, so far as the beet sugar producers are concerned, because at least the sugar will be cut at the time the seeds are planted. As the Senator knows, this date has no particular significance so far as cane sugar producers are concerned.

Mr. CLARK. It would not have any effect on Louisiana?

Mr. LONG of Louisiana. No; it would have no benefits to us particularly, except that it would be certain that sugar beets would be available for planting for 3 months. However, this has no real meaning so far as the cane-producing States are concerned.

Mr. BENNETT. One of the hopes which the House conferees stated, and it is one which the Senator from Utah shares, is that when the Senate gets a chance to work on the proposed sugar legislation, we may be able to develop a program to provide some acreage for some of the new areas which should come in, and for States like New Mexico, which the Senator from New Mexico has talked about so eloquently.

If we fix the date as April 1, and we are able to work out some such program, the people who get new allotments can plant their allotment a year earlier than if we let them go to June or September.

Mr. LONG of Louisiana. There is a legislative reason for the April 1 date. The House takes the attitude that it wishes to make a 1-year extension, and wishes to rewrite the entire Sugar Act next year.

Mr. CLARK. I understand that. I asked whether any crop year is involved. The Senator has answered that question.

I wish to ask one more question: Is it correct that under the conference report approved by the House, it is mandatory upon the President, if he reduces the

Cuban sugar quota—in other words, if he takes sugar away from Castro—to give a substantial amount of that decrease in the Cuban quota to Trujillo?

Mr. LONG of Louisiana. Well, the Dominican Republic is one of the nations listed here.

Mr. CLARK. I hold no brief for Castro, of course. But if, under the conference report, any of the Cuban quota is taken from Castro, some additional quota would have to be given to Trujillo, would it not?

Mr. LONG of Louisiana. Yes.

There is this to be said for that result: It does establish uniformity, without opening up the quotas.

The distinguished Senator from Florida has been saying for some time that we should go into the entire sugar quota issue, and should reopen the quotas, and should permit countries such as Brazil, which never has had a quota, to be assigned quotas. I assume that the Finance Committee, as well as the Committee on Agriculture and Forestry, would propose to go into that matter next year.

But the problem is that when we go into it, it is an almost endless process, because very many nations want to have a larger quota. Those that do not now have quotas wish to have quotas assigned to them; and no nation which now has a quota wants to give up any of the quota it has, in order that some other nation may have its quota increased or in order that a nation which does not now have a quota may be assigned a quota.

Mr. BENNETT. Mr. President, will the Senator from Louisiana yield?

Mr. LONG of Louisiana. I yield.

Mr. BENNETT. I wish to point out to the Senator from Pennsylvania that the House conferees have suggested that there is a possibility that there will be a change of government there during the period of the life of this measure, and they felt that the State Department should be under obligation to treat the new government in the same way the old one had been treated.

Mr. CLARK. Rather than to have some flexibility?

Mr. BENNETT. That was the attitude of the House conferees.

Mr. CASE of South Dakota. Mr. President, will the Senator from Louisiana yield?

Mr. LONG of Louisiana. I yield.

Mr. CASE of South Dakota. Let me say to the distinguished Senator from Louisiana that I recognize that undoubtedly the conference was a difficult one in which to reach any agreement.

But with respect to the assurance that the House would pass a bill in August, so that it could come to the Senate during that month—which would be a difficult assurance to carry out—let me say that once this measure is agreed to and once this bill is enacted into law, with the inclusion a provision for extension of the life of the statute to April 1 of next year, no bill of this sort will be passed by the House of Representatives until the next session, for in that situation there would be no compulsion on the House to pass such a bill in August of this year. Once the expiration date is extended until April of next year, neither the House nor

the Senate will pass an extension of the law on this subject in August of this year. I think we must be realistic and must recognize that situation and that fact.

Even if the House were to pass such a bill in August and were to send it to the Senate during that month, there would be no more assurance that the Senate would be able to act on it during August than there is assurance that the Senate will act on this measure today.

Mr. LONG of Louisiana. Mr. President, the Senator from South Dakota formerly was a Member of the House of Representatives, and he knows more about its operations than I do.

Mr. CASE of South Dakota. Why is it that the House Committee on Agriculture has taken the lead in connection with this matter in the House?

Mr. LONG of Louisiana. For only one reason, and that is that on the House Committee on Agriculture there are few members who are very interested in domestic sugar production.

Mr. CASE of South Dakota. Historically the House Committee on Agriculture has been the branch which has done the basic work in connection with sugar legislation, but that has been because the matter has been dealt with primarily as an economic matter.

But today it is primarily a matter of foreign policy. If the House is going to turn over to its Committee on Agriculture a matter which today is primarily a foreign-policy matter, we had better know what we are doing.

I say this issue is today primarily a foreign-policy question. I say that because of the statement, which has been made, that if we do not act on this matter, the President will call us back on the coming Tuesday. Why? Because he believes this matter relates primarily, at this time, to foreign policy.

If Senators wish to permit the House to control the Senate in connection with a matter which primarily involves foreign relations, let us face that fact.

We are not being pressed to take action on this matter because of the economic situation of sugar today. We are being urged to take action on it because of the fact that if we do not, \$100 million will be given to Castro, and Castro is confiscating American property. If those are not matters of foreign policy, I do not know what they are.

Furthermore, if this matter does involve foreign policy, then I do not believe the Senate should be proceeding to deal with it at 7 o'clock on Sunday morning, after being worn and harassed by several late night sessions.

On the other hand, if this is a foreign-policy question, and if action on it is needed, we should now adjourn, and should get some sleep, and should reconvene on Tuesday, and should then proceed to deal with the matter, at a time when we shall be able to think clearly, carefully investigate the subject, and arrive at a sound decision. If foreign policy is involved, this matter deserves more consideration than we can give to it at this hour on Sunday morning.

Mr. LONG of Louisiana. Mr. President, what foreign-policy matter is in-

volved? It is this: The President wants to have the power to reduce Cuba's sugar quota. That is the major consideration; and both Houses are willing to give him all the power he is requesting in that respect. When that happens, we shall have to buy some more sugar, somewhere; and that will result in a very good "deal" for the nations which are able to sell more sugar to us. All the nations from which we shall buy more sugar are friendly to us.

Historically, the Congress has always been interested in determining legislatively the nations from which the United States would purchase sugar. But so far as the executive branch of our Government is concerned, that is now a secondary issue.

As regards the issue which the executive branch considers the major issue involved in this case, we are giving the executive branch what it wants. The executive branch is not sure what nations and how much it would recommend as the one from which the sugar be purchased. The House says it wishes to make legislatively certain where the extra sugar will be purchased, after the Cuban quota is reduced.

So we are not giving in on what the executive branch regards as the primary problem.

So far as the secondary problem or secondary consideration is concerned, I point out that the House Members know something about this act, for they have been holding hearings on it for more than a year, and they have an opinion on it. Perhaps they do not have the same opinion that I have. But of course we know that most legislators would like to tell the Executive to do his job the way legislators think he should do it, but the legislators do not want anyone to tell them how to run their jobs. So this is a matter of determining who will tell the Executive how he shall proceed.

If I were a member of the Finance Committee when the question of changing the quotas was being studied, I would have been among the strongest in favor of having the legislative branch give the Executive the direction. But the House delayed taking action on this measure, and it did not reach us in time to permit us to hold hearings.

We are proposing to give the Executive what he has said is most urgent—namely, the power to reduce the quota insofar as Cuba is concerned. So, Mr. President, if the Executive does not like the way the details are spelled out, I hope that the executive branch will cooperate with the excellent congressional leadership we have had—and we have had every assurance from the Speaker of the House and from the majority leader of the Senate that they will cooperate in every way they possibly can—in proceeding to correct anything that needs to be corrected in connection with what we do here, tonight.

Mr. AIKEN. Mr. President, will the Senator from Louisiana yield?

Mr. LONG of Louisiana. I yield.

Mr. AIKEN. Undoubtedly the Senator from Louisiana is aware of the reports which have been prevalent for

months, namely, that some House Members are very insistent that the Sugar Act be renewed next year, in order that it may be incorporated in an omnibus farm bill.

Does not the Senator from Louisiana think we ought to keep our foreign policy, as indicated in the Sugar Act, separate from the domestic farm program?

Mr. LONG of Louisiana. I could not agree more with the Senator.

Mr. YARBOROUGH. Mr. President, will the Senator yield?

Mr. LONG of Louisiana. I yield to the Senator from Texas.

Mr. YARBOROUGH. I hold in my hand a copy of the conference report from the parliamentarian's desk. In amendment No. 1 it states that, in lieu of section 1, which was stricken by the Senate amendment, the following is inserted, and this is to become a part of the law and the Senate is to agree to it:

That section 412 of the Sugar Act of 1948 (relating to termination of the powers of the Secretary under the act) is amended (1) by striking out "December 31, 1960" and inserting in lieu thereof "March 31, 1961", (2) by inserting "until March 31, 1961," after "power", and (3) by striking out "the crop year 1960 and previous crop years" and inserting in lieu thereof "any crop year beginning prior to March 31, 1961".

The conference report states that is the measure the Senate is expected to accept.

Mr. President, it does not take a Member of Congress or a lawyer to know what is meant by "any crop year beginning prior to March 31, 1961." Every sharecropper in east Texas and every farmer knows that "any crop year beginning prior to March 31, 1961" is the year 1961; and the Senate has given up completely. It has extended the crop year through 1961, with a mandatory provision that the President may set quotas in other countries and in our own. We have our own Guatemalas inside the United States. If this amendment is put into the law, it would be without the corrective provisions that were in the section before.

Mr. LONG of Louisiana. In connection with that feature, I believe the Senator from Utah [Mr. BENNETT] understands that particular language better than I do, and I am glad to yield to him.

Mr. BENNETT. Mr. President, when we had finished our work on the conference, a proposal was made that we add a new section which spelled out that the quota available for the 3 months would be calculated by taking the quota for a year and dividing it by four, to make sure only one-quarter of a year's quota would be covered by this 3-month period.

We were told it could not be done in the bill because that matter was not in conference and was not contained in either bill. But in the statement of the managers of the House the information is clearly set forth that it is the intention of the legislation that the quota provided by the extra 3 month coverage for 1961 will represent one-quarter of a year's quota. Because of the limitations of the language before us, that was the only way we could protect ourselves

against the matter that is worrying the Senator from Texas.

Mr. LONG of Louisiana. Actually, that is a technical matter, and it does not extend the act through the next year beyond April 1. While it is somewhat technical to explain, and I did not draft it, I assure the Senator that the House Members gave us their assurance, and the assurance of the House—and I am confident they are telling the truth—that they pledge to give us a sugar bill in the month of March, as early as they can in that month, in order that we may have adequate time to conduct hearings, study the matter, act on it, and pass a bill to renew this act before it expires on April 1.

Mr. KEATING. Mr. President, will the Senator yield?

Mr. LONG of Louisiana. Yes.

Mr. KEATING. Was the assurance that it would be a sugar bill itself, or a part of an omnibus farm bill?

Mr. LONG of Louisiana. I discussed the matter, and in the context in which the discussions occurred, and I would say the context in which the chairman of the Agriculture Committee of the House explained the matter to the House, I think it was very clear that it referred to a sugar bill, rather than a chapter of a general omnibus agricultural act. There was no meeting of the minds if it meant anything else.

Mr. DWORSHAK. Mr. President, will the Senator yield?

Mr. LONG of Louisiana. I yield to the Senator from Idaho.

Mr. DWORSHAK. The Senator has said the House has given assurance that some action will be taken early in the next session so the Senate can complete its part of the legislative action prior to April 1. I think the record will show that there is no reason why we should accept such assurances.

So far as I am concerned, I want the RECORD to show that every Member of the House, particularly the chairman of the Agriculture Committee, has known the Sugar Act was to expire on December 31, 1960. The sugar industry and the beet growers in my State and other Western States have been unable to know what to expect so far as sugar legislation is concerned.

There has been a regrettable lack of cooperation on the part of the House, and I hope I am not violating the rules of this body when I refer thus to the other House. But the record is clear that there has been indecision, delay, and disregard for our domestic sugar beet producers. And on that basis I say we can expect little consideration between now and next spring, and this body will be facing great difficulty in trying to complete action in a manner that will give to our domestic beet growers the same consideration that we give to foreign producers of sugar.

Mr. DIRKSEN. Mr. President, will the Senator yield?

Mr. LONG of Louisiana. First let me say that I do not care to differ with the Senator from Idaho. I for one express the wish that the domestic producers were represented on the House commit-

tee as they are on the Senate Committee on Finance.

Mr. DWORSHAK. Mr. President, will the Senator yield?

Mr. LONG of Louisiana. I yield.

Mr. DWORSHAK. The Senator from Idaho, having served in the House, has no desire to violate the rules, and I said I hoped that no such construction would be placed on what I said. But we have nothing to show but the record in this session, and the record shows we have been marking time, waiting month after month for action in the other body. If there is no action, we have a right to make our interpretation of why there has been a complete lack of cooperation.

Mr. ELLENDER. Mr. President, will the Senator yield?

Mr. LONG of Louisiana. I yield to my colleague, the chairman of the Senate Committee on Agriculture and Forestry.

Mr. ELLENDER. Mr. President, I am wondering what is going to happen to the sugar program if we agree to what the House desires. I am sure there is no intention on the part of the Senate to go into the 1961 crop, yet as I understand the action taken by the conferees I am satisfied the House of Representatives will not agree to a bill in August, nor will the House agree to a bill at the end of December. The House is going to hold us at bay, as it is doing now.

Under the present Sugar Act, quotas are fixed under title II. As I understand, that part of the present Sugar Act is not to be changed at all with respect to the time in which the quotas are to be fixed for all producers in the United States, as well as for those foreign countries which furnish sugar under the act.

Section 201 of the act, which is not to be changed as I understand the pending bill, reads as follows:

SEC. 201. The Secretary shall determine for each calendar year—

Not for a quarter of a year, but for each calendar year—

beginning with the calendar year 1948, the amount of sugar needed to meet the requirements of consumers in the continental United States; such determinations shall be made during the month of December in each year for the succeeding calendar year (in the case of the calendar year 1948, during the first ten days thereof) and at such other times during such calendar year as the Secretary may deem necessary to meet such requirements. In making such determinations the Secretary shall use as a basis the quantity of direct-consumption sugar distributed for consumption, as indicated by official statistics of the Department of Agriculture, during the twelve-month period ending October 31 next preceding the calendar year for which the determination is being made, and shall make allowances for a deficiency or surplus in inventories of sugar, and for changes in consumption because of changes in population and demand conditions, as computed from statistics published by agencies of the Federal Government; and, in order that such determinations shall be made so as to protect the welfare of consumers and of those engaged in the domestic sugar industry by providing such supply of sugar as will be consumed at prices which will not be excessive to consumers and which will fairly and equitably maintain and protect the welfare of the domestic sugar industry, the Secretary, in making any such determination, in addition to the consump-

tion, inventory, population, and demand factors above specified and the level and trend of consumer purchasing power, shall take into consideration the relationship between the prices at wholesale for refined sugar that would result from such determination and the general cost of living in the United States as compared with the relationship between prices at wholesale for refined sugar and the general cost of living in the United States obtaining during 1947-49 as indicated by the Consumers' Price Index as published by the Bureau of Labor Statistics of the Department of Labor.

After that is done, Mr. President, and after the quota is decided, what happens?

PRORATION OF QUOTAS

SEC. 202. Whenever a determination is made, pursuant to section 201, of the amount of sugar needed to meet the requirements of consumers, the Secretary shall establish quotas, or revise existing quotas—

How does he do that?

(a) (1) For domestic sugar-producing areas by apportioning among such areas four million four hundred and forty-four thousand short tons, raw value, as follows:

The act goes on:	Short tons raw value
Domestic beet sugar.....	1,800,000
Mainland cane sugar.....	500,000
Hawaii.....	1,052,000
Puerto Rico.....	1,080,000
Virgin Islands.....	12,000

(2) To the above total of four million four hundred forty-four thousand short tons, raw value, there shall be added an amount equal to 55 per centum of the amount by which the Secretary's determination of requirements of consumers in the continental United States for the calendar year exceeds eight million three hundred and fifty thousand short tons, raw value. Such additional amount shall be apportioned among and added to the quotas established under paragraph (1) of this subsection for such domestic sugar-producing areas, respectively, as follows: (A) The first one hundred sixty-five thousand short tons, raw value, or any part thereof, by which quotas for the domestic areas are so increased shall be apportioned 51.5 per centum to the domestic beet sugar area and 48.5 per centum to the mainland cane sugar area; (B) the next twenty thousand short tons, raw value, or any part thereof, by which such quotas are so increased shall be apportioned to the Virgin Islands; (D) any additional amount shall be apportioned on the basis of the quotas established in paragraph (1) of this subsection as adjusted by subparagraphs (A), (B), and (C) of this paragraph (2). (7 U.S.C. 1112) (a))

(b) For the Republic of the Philippines, in the amount of nine hundred and fifty-two thousand short tons of sugar as specified in section 211 of the Philippine Trade Act of 1946. (7 U.S.C. 112 (a))

(c) (1) For the calendar year 1956, for foreign countries other than the Republic of the Philippines, by prorating among such countries an amount of sugar, raw value, equal to the amount determined pursuant to section 201 less the sum of the quotas established pursuant to subsections (a) and (b) of this section, on the following basis:

Country	Per centum
Cuba.....	96
Foreign countries other than Cuba and the Republic of the Philippines.....	4

Ninety-five per centum of the quota for foreign countries other than Cuba and the Republic of the Philippines shall be prorated among such countries on the basis of the average amount imported from each such country within the quotas established for the years 1948, 1949, and 1950, except that a separate proration need not be established for any country which entered less than two per centum of the average importations within the quotas for such years. The amount of the quota not so prorated may be filled by countries not receiving separate prorations, but no such country shall enter an amount pursuant to this subsection in excess of one per centum of the quota for foreign countries other than Cuba and the Republic of the Philippines.

(2) For the calendar year 1957 and for each subsequent calendar year, for foreign countries other than the Republic of the Philippines, (A) by prorating to Cuba 96 per centum and to other foreign countries 4 per centum of the amount of sugar, raw value, by which eight million three hundred and fifty thousand short tons, raw value, or such lesser amount as determined pursuant to section 201 exceeds the sum of four million four hundred and forty-four thousand short tons, raw value, and the quota established pursuant to subsection (b) of this section; and (B) by prorating 45 per centum of the amount of sugar, raw value, by which the amount determined pursuant to section 201 exceeds the sum of eight million three hundred and fifty thousand short tons, raw value, as follows:

Country:	Per centum
Cuba.....	29.59
Peru.....	4.33
Dominican Republic.....	4.95
Mexico.....	5.10
Other countries.....	1.03
	45.00

The above proration of 1.03 per centum to foreign countries other than Cuba, the Republic of the Philippines, Peru, the Dominican Republic, and Mexico shall be apportioned to such other countries whose average entries within the quotas during 1953 and 1954 exceeded one thousand short tons, raw value, on the basis of the average entries within the quotas from each such country for the years 1951, 1952, 1953, and 1954.

(3) For the calendar year 1957 and for each subsequent calendar year, the proration of 4 per centum under paragraph (2) (A) of this subsection for foreign countries other than Cuba and the Republic of the Philippines shall be apportioned first, by assigning to each such foreign country whose average entries within the quotas during the years 1953 and 1954 were less than one thousand short tons, raw value, a proration equal to its average entries within the quotas during 1953 and 1954; second, by assigning to each such foreign country whose average entries within the quotas during 1953 and 1954 were, not less than one thousand nor more than two thousand short tons, raw value, a proration of three thousand short tons, raw value; third, by assigning to each foreign country whose average entries within the quotas during 1953 and 1954 were more than two thousand and less than three thousand short tons, raw value, a proration equal to the average entries from each such country within the quotas during 1953 and 1954, plus two thousand short tons, raw value; fourth, by assigning to each foreign country whose average entries within the quotas during 1953 and 1954 were not less than three thousand nor more than ten thousand short tons, raw value, a proration equal to the average entries from each such country within the quotas during 1953 and 1954; and, fifth, by prorating the balance of such proration to

such foreign countries whose average entries within the quotas during 1953 and 1954 exceeded ten thousand short tons, raw value, on the basis of the average entries within the quotas from each such country for the years 1951, 1952, 1953, and 1954. (7 U.S.C. 1112(c))

(d) Notwithstanding the other provisions of this title II, the minimum quota established for Cuba, including increases resulting from deficits determined pursuant to section 204(a), shall not be less than the following:

(1) 28.6 per centum of the amount of sugar determined under section 201 when such amount is seven million four hundred thousand short tons or less; and

(2) two million one hundred and sixteen thousand short tons, when the amount of sugar determined under section 201 is more than seven million four hundred thousand short tons.

The quotas for domestic sugar-producing areas, established pursuant to the other provisions of this title II, shall be reduced pro rata by such amounts as may be required to establish such minimum quota for Cuba. (7 U.S.C. 1112(d))

(e) Whenever in any year any foreign country with a quota or proration thereof of more than ten thousand short tons fails to fill such quota or proration by more than 10 per centum and at any time during such year the world price of sugar exceeds the domestic price, the quota or proration thereof for such country for subsequent years shall be reduced by an amount equal to the amount by which such country failed to fill its quota or proration thereof, unless the Secretary finds that such failure was due to crop disaster or force majeure or finds that such reduction would be contrary to the objectives of this Act. Any reduction hereunder shall be prorated in the same manner as deficits are prorated under section 204. (7 U.S.C. 1112(e))

This must be done, as I have said, in December. In my judgment, should the pending measure be approved, and unless other legislation is approved after the Congress returns in August, we will, as a practical matter, be extending the act for 1 year in the wee hours of the morning, under duress, without a fair opportunity to study the bill in detail.

What is the rush, Mr. President? Why must we adopt this conference report tonight, in toto, without change, practically as dictated by the House Committee on Agriculture? This is no way to legislate.

For my own part, I intend to vote against the conference report. As I have already indicated, the practical effect of this legislation will be to extend the act, under terms and conditions dictated by the House of Representatives, for another year. In the process, circumstances will arise which are bound to return to haunt us.

First, should a portion of Cuba's quota be parceled out among other foreign countries—and quite a few are in line for just that kind of treatment should this legislation become law—we will never be able to reduce those increased quotas. The countries receiving rights to export larger quantities of sugar to the United States are going to regard those temporary privileges as permanent. They will resist demands to remove them, if and when a friendly government returns to power in Cuba. Thus, Mr. President, I fear we may be paving the way for an orgy of Latin American irritation

against the United States. Instead of being in hot water only with regard to Cuba, this legislation practically assures us of getting involved in foreign policy disputes with each and every sugar exporting country in the Caribbean area. I might also remark that when a friendly government returns to Cuba—and I am convinced that the bearded demagogue Castro will not forever remain in power—Cuba will stand in dire need of funds. She can obtain these funds in two ways—either by selling goods, principally sugar, to the United States, or by Uncle Sam adding Cuba to the dole list under the foreign-aid program.

We have not made any friends with foreign aid, Mr. President, and there is no reason to believe that a Castro-less Cuba would prove any exception. On the other hand, should the quota presently assigned to Cuba be reduced, and the reduction parceled out among other countries, we will never be able to regain those increases—we will never be able to permit Cuba to regain her former status as a supplier of sugar to the United States. At least, we will not be able to do so by cutting back on other countries. The only possible way that Cuba's once-reduced quota might be returned, under these circumstances, would be to cut the quotas assigned to our own domestic producers.

Is this what Senators want to do? I do not believe so. At least, the senior Senator from Louisiana is not going to participate in such an effort. I caution Senators, do not act with such haste, under emotional pressure, in the wee hours of the morning, that in our efforts to castigate Castro we actually wind up paving the way for further foreign policy difficulties abroad, plus the possibility, if not probability, of injury to our own sugar producers in the process.

Second, Mr. President, we must not forget that sugar legislation has been pending in the Congress since early 1959. The House Committee on Agriculture did not report a bill until just recently. If this legislation now before us is enacted, I am willing to wager that the chairman of the House Committee on Agriculture and Forestry will do again in 1961 just exactly what he has done in 1960—namely, refuse to act until the last moment, in order to be sure that he gets his own way. Oh, it is said that the Senate will be in a position to act after we return in August by attaching sugar legislation to some agricultural bill which has already been approved by the House of Representatives. I wish I could believe this, Mr. President, but the fact is that I fear some elements in the House are more desirous of playing personal and partisan politics than in assisting in the enactment of legislation which would assist our domestic sugar producers, and protect consumers against the ravages of international sugar price warfare.

The resolution approved by the Senate earlier today would have done the job that needs to be done. It provided power to deal with Castro and his cohorts. Yet, the House of Representatives raised a constitutional issue and shouted it down. The net result is that the only vehicle which might reasonably and realistically

be available for use later this year as the basis for long-range sugar legislation is now being converted into a 1-year extension of the act, under the guise of a 3-month extension, with the terms thereof dictated by the House.

Mr. President, I am going to vote against this conference report. I am as anxious to chastise Castro as any man in this Chamber, but I am not going to yield to my animal in the wee small hours of the morning, particularly when to do so offers every assurance that we are once again placing the necks of our sugar producers upon the House chopping block—when to do so means that we are participating in the creation of a law which will foster and foment further dislike for the United States and unrest in the Caribbean areas.

If we make the mistake of agreeing to the conference report, we will not get sugar legislation this year. I hope Senators will believe me when I say that. If I am incorrect in that statement, I should like to have my good friends from Louisiana and from Utah, who were on the conference committee, tell me so.

As I have said, we do not change title II in respect to the fixing of quotas. Those quota determinations are made in December of each year, for the next calendar year. It may be that there will be an allocation of only one-fourth of what the estimated consumption may be, but the point is that we cannot allocate to any offshore producer of cane sugar a quota for only 3 months. That has to be done on the basis of a year.

Sugar cannot be produced in 3 months. If I am mistaken on that I should like to know about it.

Mr. BENNETT. Mr. President, may the Senator from Utah respond?

Mr. LONG of Louisiana. Mr. President, I voted for the Anderson amendment. That is what we had under consideration in the Congress. I believe that my distinguished colleague did not vote for the amendment. His judgment probably is better than mine. However, that is what we took to the conference. Based on what we had in the conference, we did pretty well.

As one of the conferees, I did the best I could to get everything I could which was in the Senate version of the bill. If the Senate should decide to reject the report, I would cheerfully welcome the decision of the Senate to send some Senator with the great ability of my colleague, who is very conversant with sugar, to the conference to renew the battle. That will be all right with me.

I say, as one conferee, that this is the best we could obtain. If some other Senator can do better, I should be willing to see him try.

Mr. BENNETT. Mr. President, will the Senator yield?

Mr. LONG of Louisiana. I yield.

Mr. BENNETT. When we picked up the bill which the House sent to us, H.R. 12311, amended it, and sent it to conference, we made it impossible, practically, to get a sugar bill this year, because the House will have to give us a new bill before we could act.

The House conferees made it perfectly clear to us that from their point of view

it was impossible to get a sugar bill even if we returned in August because the chairman of the House conferees said, "I have been elected, but my colleagues have not been, and I am sure I cannot get a quorum of my committee together in August."

Mr. CASE of South Dakota. Mr. President, will the Senator yield at that point?

Mr. BENNETT. I yield.

Mr. LONG of Louisiana. Mr. President, I yield the floor.

Mr. CASE of South Dakota. Mr. President, when we have had situations such as this, which involve matters of national policy, occur in election years, in the war years Members of Congress did not plead that they had to return to their districts to be elected. Members of Congress recognized that the best place for them was on the floor of either the House or the Senate. They did not plead that they had to go to their home districts to be elected.

This is a question which involves national policy. The Congress should be in session in August to settle it. This is where the Members ought to be, if they wish to be reelected.

Mr. BENNETT. Mr. President, the Senator from Utah argued in the conference for the right of the Committee on Finance to consider sugar legislation in August.

Mr. LONG of Louisiana. Mr. President, will the Senator yield?

Mr. BENNETT. I yield.

Mr. LONG of Louisiana. Perhaps the Senator remembers that a short time ago we had before us an amendment to require congressional approval of expenditures running into \$4 billion a year for foreign aid, public works projects, to learn where the money was going, and one of our colleagues said, "If we are going to look into where all this money is going, we had better get somebody else to look into it, because Senators will not have time to hold hearings to see what is happening to the money."

In this instance Members of the House are saying that they have acted on this measure and that they must return to their home districts to campaign for election. There will be a great difficulty in obtaining a quorum of the House committee.

Mr. MORSE. Mr. President—

Mr. MUNDT. Mr. President, will the Senator yield?

Mr. BENNETT. I yield.

Mr. MUNDT. By unanimous consent I should like to propound, if I may, a question to the distinguished chairman of the Committee on Agriculture and Forestry, because if I understood correctly his analysis of the proposed legislation, it would be a fair and accurate statement to say that if we here and now approve this conference report, we would be delaying for 1 year any opportunity to expand the domestic production of sugar in this country. Is that the interpretation of the senior Senator from Louisiana?

Mr. ELLENDER. I do not think there is any doubt about it because, as I said, under the law as it now stands—and that part of it is not affected—the determina-

tion is made in December for a whole calendar year, and then the quotas are fixed and allotted to the countries and to the domestic producers as described in the act.

After the distribution is made, we certainly cannot take the quotas away. Particularly would it be hard on those who produce sugarcane, because sugarcane is a crop that grows from stubble. In many countries, one planting yields as many as four, five, or six crops. If this bill is passed, we shall only get deeper and deeper into foreign relations problems, as pointed out by my good friend from Vermont. We will simply make bad matters worse. That is what will happen.

Mr. MUNDT. Even if it were possible to do it legally, I think the Senator would agree that it would be bad foreign policy to try to take it away after they have been allocated a certain production for a year.

Mr. ELLENDER. I frankly have not had an opportunity to study in detail the hearings that the House held, but I believe it is clear that the House bill would give more and more of our sugar market to the countries to the south of us, particularly Mexico, Costa Rica, and Peru, by increasing their quotas. Lively lobbyists attempt to increase the quotas to those various countries.

We do not propose to change the time at which the quotas will be allocated. It is December; the determination will be made then. The quota as determined at that time will be distributed among the various countries. If the President decides to exclude Cuba, the quota of Cuba will be parceled out among other countries.

Under the compromise, such action would mean that the quotas of Mexico and certain other countries to the south of us would be increased.

I wish to make this point also. As I said last night, let us not forget that Castro may fade out, if somebody takes a shot at him, or he is deposed. We must not forget also that 42 percent of the sugar that is now produced in Cuba is American-controlled and American-owned.

Mr. BENNETT. The Senator from Utah recognizes that.

Mr. ELLENDER. I know that efforts would be made to restore the full quota to Cuba if and when Castro were removed from the picture, and the moment we do so, we shall have not only one country to the south of us irate, but we may have as many as a dozen, which would make conditions worse.

Mr. BENNETT. Mr. President, who has the floor?

The PRESIDING OFFICER. The Senator from Utah has the floor.

Mr. BENNETT. Mr. President, I should like to make the point that one of the victories, if we can call it that, for the Senate, and one of the points on which the House receded, was that the House struck the word "allocated" from the bill and put in its place the word "purchase." Within the limits of the bill the conference thought that was the best thing it could do, to make clear to those from whom the President secured sugar under the bill that they were not

getting an allocation. The President was making a one-time purchase. I realize that one may say, "They will expect it anyway." But so far as the language of the law is concerned, the word "allocate" is not in it.

Mr. MUNDT. Mr. President, will the Senator yield?

Mr. BENNETT. I yield.

Mr. MUNDT. I think what the Senator says is exactly correct. But the point being made by the distinguished chairman of the Senate Committee on Agriculture, as I understand, is not related to the point to which the Senator from Utah refers, but to the fact that by extending the determination date until April 1, and virtually extending the determination date for another crop year in sugar, it is denying any opportunity for domestic sugar producers to get increased allocations for an extra year.

Mr. BENNETT. Let us assume the Senator is right. What choice did the conference have?

Mr. MUNDT. The conferees could stick with the Senate date.

Mr. BENNETT. The House conferees made it perfectly plain to us that if we had done so, they were not in a position to act in August. If the Senate would like to send the bill back to the House, and the House can be persuaded that it must act in August, no one would be more pleased than the Senator from Utah.

Mr. MUNDT. The Senator from South Dakota would have voted for that.

Mr. HOLLAND. Mr. President, there is only one contribution I can make. I happened to be on the floor of the House when the report of the conference reached the House. I heard the statement of the managers on the part of the House read. I heard the argument and the report of the able chairman of the House Agriculture Committee, Mr. COOLEY. I heard very clear reference, more than once, to the fact that only one-fourth year was involved in this proposal. There is no doubt about it.

I tried to find the statement of the managers on the part of the House, and I discovered it was not sent over here. I sent for it. I do not know whether we can get it or not. I do not know whether they are still operating. But I am completely sure, because I listened to the report, that the Senator from Louisiana is stating the situation exactly as it was reported and exactly as it was acted upon and approved, and will be found not once, but several times, in the report of the managers.

Mr. LONG of Louisiana. Mr. President, will the Senator yield?

Mr. BENNETT. I yield.

Mr. LONG of Louisiana. It seems to me that if the Senate wishes to be fair with its conferees, it should keep in mind that we were in conference on the Anderson amendments. I am one of those who voted for the Anderson amendments, but some of those who did not want the Anderson amendments and voted against them are some of those who criticized us most vehemently because we did not get something that was not in the Anderson amendments.

The Morse amendment would have done the bare minimum the Senate

sought to do by unanimous vote. I voted for the Morse amendment. It would not have assigned any additional quota to anyone. It would reduce the quota, and we would simply run short of sugar until we decided what we wanted to do. That was the Morse proposal. That was the previous Bennett proposal. It was proposed that we reduce our sugar stocks in this country until we decide what we shall do about it.

We would not run out in the next 30 days, but be that as it may, that proposal was defeated. We were not in conference on that amendment. We were in conference on the Anderson amendments. We got most of what was in the Anderson amendments. It is true that I was one who made a speech here on the floor to the effect that I would like to see this entire procedure discretionary. We remained in conference for 2 hours fighting with the House members.

I should like to have seen the whole procedure left to the discretion of the President. However, when the point is made that when some foreign nations which sell sugar to the United States will become irritated if we buy less from them, the point is just as valid should the President make the decision to give it to them, as it is that the House Agriculture Committee should make that decision.

Of course, once we start buying from one of these countries and then stop, the country will not like it. Neither will Castro like it if the President decides to reduce his quota.

Mr. HOLLAND. Mr. President, will the Senator yield?

Mr. BENNETT. I yield to the Senator from Florida, who, I believe, has received the papers he has been waiting for.

Mr. HOLLAND. I have just received the original statement of the managers on the part of the House. I will not take the time to read it all, but I will read the part to which I referred in substance a moment ago:

It is the intention of the conferees that in establishing quotas for the period January 1, 1961, through March 31, 1961, the Secretary of Agriculture will establish a quota for each area or country of one-fourth of the quota which each country or area would have received had the act been extended in its present form for 1 calendar year.

That bears out the statement of the able chairman of the conferees on the part of the House and the able ranking majority member of the conferees on the part of the Senate.

Mr. CURTIS. Mr. President, will the Senator yield?

Mr. BENNETT. I yield.

Mr. CURTIS. At this late hour I do not wish to say very much, but I do wish to point out that the domestic interests in this entire proceeding have been woefully neglected.

The bill that came to us from the House arrived here at 6 minutes after 12 on July 1, with the House of Representatives taking the position that we should accept it.

The question is not whether the House has disregarded the rights of the Senate. The House has disregarded the

rights of a great segment of the American people, of localities which have sugar beet acreage, and of many other localities which are concerned in this matter. Those producers are coming to their courthouses, to see their agricultural officials, and are asking for beet acreage, but are not getting it. Congress has failed them in that regard.

I realize that our conferees had a most difficult time. I am not censuring them at all. Perhaps the conference report should be adopted. I do not know. I do believe that we should let all the world—including every country which hopes to get anything extra out of this measure—know that we reserve the right to terminate it, to change it, or to take away its benefits in any way Congress chooses.

Individual Senators are not to blame. After having been treated by the House the way we were, the leadership of the Senate should have sent the bill to committee, and on next Tuesday, Wednesday, and Thursday the Senate could have considered the proposed legislation, and could have worked its will on it next week.

I merely wish the RECORD to show that in my opinion the domestic interests, the people who pay the taxes, the people who have a claim on the sugar consumers of this country, have been totally neglected in this proceeding because of the manner in which the bill was sent to the Senate and because of the mad rush to get out of here last night.

Mr. MORSE. Mr. President, I propose to speak very briefly in summarizing my position with regard to the issue before us tonight, and to state why I shall oppose the conference report. Before I start my brief speech, I should like to ask for the yeas and nays on the conference report.

The yeas and nays were ordered.

Mr. MORSE. Mr. President, I believe the Senator from South Dakota [Mr. CASE] and the Senator from Vermont [Mr. AIKEN] have pointed out the most important issue in this whole complex problem which confronts us tonight when they indicated that we have before us an issue of foreign policy.

The subject matter before us tonight on the floor of the Senate involves a matter of foreign policy primarily. We would not have this issue before us on this emergency basis tonight if it were not that a Communist tyrant—and Castro is a Communist, whether he belongs to the party he follows or not—in Cuba. He is a Communist tyrant in Cuba who is both confiscating American property in Cuba and depreciating the value of that which he is not confiscating in many instances by the imposition of an intervenor in charge of that property over and above the administrative rights of its true owner.

He has created a very serious foreign-policy situation in the Caribbean. It is a matter of concern to the Foreign Relations Committee of the Senate, and has been for some months. We have been briefed on it again and again by the State Department. Therefore, I find it of great interest to be told tonight what the State Department's position is with respect to the conference report before us. Frankly, the best statement we can

get is that somebody in the State Department said they can "live with it."

The Senator from Iowa [Mr. HICKENLOOPER] settled that point very clearly when he said they will always tell us that they can live with it when they see the inevitable coming.

What has been needed is to get this matter before the Foreign Relations Committee of the Senate and the Foreign Affairs Committee of the House in order to discuss its implications from the standpoint of foreign policy, instead of making a decision on foreign policy on the basis of the Sugar Act, an act which has come to us from the House and on which there has not been 1 hour of hearings, certainly not with reference to the factors of American foreign policy. I am completely at a loss to understand how we can run these risks.

The Senator from Pennsylvania [Mr. CLARK] put his finger on another very important facet of this problem when he brought out the fact that the mandatory provisions of the House impose upon us, by the conference report, the transfer of certain quotas of sugar from Cuba to Trujillo, of the Dominican Republic, a country headed by another tyrant, who in this case is a Fascist tyrant, and is one of the worst tyrants in all of Latin America. Giving this support to that tyrant is not going to help foreign relations with our friends in Latin America.

It has been said, "Oh, we have reason to believe that perhaps Trujillo will go out of power, and some other administration will come into power in the Dominican Republic." Mr. President, we are not going to speed the going out of power of this tyrant by strengthening his economic position. We are not going to speed Trujillo's going out of power by giving him the kind of weapon that we propose to give to him by the adoption of the conference report. He would be stronger than before the Sugar Act extension was passed.

Earlier this evening—many of the Senators who are here were not present at that time, although I see the Senator from Vermont is here, and he will bear out what I said before and what I now summarize—I informed the Senator that the Subcommittee on Latin America of the Committee on Foreign Relations has been conducting a study for the Senate. Incidentally, the Senate appropriated over \$100,000 for the study which took more than a year and a half covering Latin-American countries. Some of us have traveled in many of the countries in Latin America, and have held confidential conferences with heads of States and with heads of departments with whom the heads of States asked us to confer.

I betray no confidence when I say that in my own study last fall in Latin America I talked at some length with the President of Brazil, the President of Venezuela, and the President of Colombia in regard to this matter, and listened to them protest against our sugar policies toward Brazil, Venezuela, and Colombia.

How do Senators think the people of these countries are going to feel about this type of an extension of the Sugar Act when our sugar policy is one of the

causes of misunderstanding in Latin America toward the United States?

We proceed today with an act which continues to leave many of these countries out of the picture. We are doing nothing in this act which will have any effect in changing the attitude in Brazil, Venezuela, and Colombia; and we can add Ecuador, El Salvador, and Guatemala. Do not forget that Guatemala, as I said earlier in the evening, is one of the strongest anti-Castro countries in Latin America. We should do something to try to improve the situation in Guatemala. In my judgment, what we are doing here today can be taken as a slap at her face.

Mr. President, I am at a loss to understand why we should adopt these mandatory provisions in the Sugar Act, when we know that foreign relations problems confront us in such Latin American countries as Brazil, Colombia, Venezuela, Guatemala, Ecuador, and El Salvador.

I simply make the plea that we not make this mistake, because I am satisfied that the mandatory provisions can be misinterpreted all over Latin America.

We are proceeding to increase the allotment for Formosa. Do we really believe that action will make the people of Latin America happy? They will say, "We think you are already discriminating against us in regard to sugar." They will ask, "Why are you increasing the allotment of the Netherlands? We are at your front door. We are your neighbors. We want to help you. We want to strengthen the cause of freedom in Latin America. We need your help, and not this kind of treatment. We have been asking you to negotiate with us in our behalf in regard to sugar. But you are passing a Sugar Act which, in effect, provide"—as has been brought out in the debate already, but I think it needs to be restated—"that you will give Haiti, Panama, the Netherlands, and Nationalist China an increase in the amount of sugar."

This will be resented by the countries of Latin America which have been pleading with us to negotiate with them in regard to sugar.

We have said to Brazil, "You will have to diversify." We have pointed out to Brazil, in our discussions with her representatives, when they have needed to negotiate loans, that she is a one-product country—a coffee-producing country. Brazil has said, "We have some sugar. We would like to sell some of it to you."

In this measure we have an opportunity, in my judgment, to give the President what he needs—and I shall come to that point next—without, in effect, passing a Sugar Act on which hearings have not been held; without any hearings as to its foreign policy relations. What do we do? We say, in effect, to Brazil, "We will not negotiate with you on that question now, but we are increasing the sugar allotments to other countries." That will be the effect. We can call it a purchase, if we wish. The fact is that it is a mandatory purchase, so far as Brazil is concerned. Those countries will get consideration whether it is called a purchase or an allocation.

Let us not forget that where the Dominican Republic comes into the picture

is in section (b), the mandatory provision about full duty nations having full duties under the act, except the five nations mentioned in section (b).

What I think we should do is to recognize that this issue was created by a foreign policy crisis in Cuba; that the President of the United States ought to have the power in order to settle the sugar issue in relation to Cuba, in our national interest; and that we ought to proceed as rapidly as we can to come to grips with the Sugar Act problem.

Probably we cannot pass a Sugar Act in August 1960. However, that does not mean that we are justified in extending the act, as it is being extended in this conference report today, until April 1, 1961. I quite agree with the Senator from Texas [Mr. YARBOROUGH] and the Senator from Louisiana [Mr. ELLENDER] that the April 1 date can be included, if we wish; but the effect will be that it will cover the crop period for 1961.

I can hear the argument now: "Do not put us in a vacuum, gentlemen." Senators know the kind of argument they will hear next spring. We will have given these countries cause to believe, really, that they could go ahead and plant the 1961 crops, and they have done so. Now we shall cause much ill feeling if we say we are not going ahead with the program, at least through the year 1961.

I am satisfied, as a practical matter, that what we are doing today is debating a Sugar Act which will continue in effect at least through 1961.

The Senator from Idaho [Mr. DWORSHAK], the Senator from Nebraska [Mr. HRUSKA], the Senator from South Dakota [Mr. MUNDT], the Senator from Colorado [Mr. ALLOTT], and perhaps other Senators, who have been giving attention to the domestic problem, have a point we cannot ignore. What do we believe the effect of the conference report will be on this very difficult issue? Many Members of the Senate are confronted with a domestic producer problem in this country, and the fact is that this act does not protect their interests. A sugar act ought to protect them. That is why hearings ought to be held on the Sugar Act.

I speak most respectfully to the House, but I also speak in self-defense. I do not like the feeling of a legislative black-jack on my head. I do not like to be beaten, parliamentarily, into submission, particularly when I know that the proposal, with which the other body may be very happy, is not in the best interests of my country. I am satisfied of that. I am satisfied that we ought to pay attention to the advice given to members of the Committee on Foreign Relations. It is interesting to observe how many of them have been talking on this subject. It is interesting to note how many of them voted for the Morse amendment some hours ago. We have tried to live with this problem. We, in the Committee on Foreign Relations, have been briefed by the State Department.

Mr. LAUSCHE. Mr. President, will the Senator yield for a brief statement?

Mr. MORSE. I shall yield in just a moment.

I remember the last briefing was when Assistant Secretary of State Rubottom,

in charge of Latin American Affairs; Ambassador Bonsal; and an economic adviser spent a whole afternoon with the committee discussing the problem of Cuba. The sugar problem played a very important part in the discussion. It was at that meeting that we first got the word from the administration that they believed if things worsened in Cuba they would ask for the very authority for the President which I had provided in my amendment earlier this evening. The defeat of the amendment was, I believe, a great mistake, because it meant that our conferees went to the House in a weakened bargaining position. All that really was left, all that really counted, was to bargain over "shall" or "may."

That was the position in which we put our conferees. I do not criticize them. We were not fair to our conferees. We did not give them a very broad bracket or framework in which to negotiate with the House. It became quite a major issue as to whether the language was to be permissive, as proposed, or mandatory, as the House insisted on. That was not being fair to our conferees. I think we weakened them when we sent them to the House with the Anderson amendment rather than the Morse amendment.

I think we are making a serious foreign policy blunder tonight. We ought to reject the conference report, send it back to the House, and try to have the House understand that our plea to them is not on the basis of sugar, but that sugar is only an instrumentality which we have to use in connection with a solution of the foreign policy crisis which has been created by Castro, in Cuba. We should try to persuade the House that statesmanship calls for us to place in the hands of the Chief Executive, who after all, in time of crisis, is the man who has to take ultimate control, the weapon which he needs most of all. It seems to me that the best weapon we can provide is to let him exercise his discretion and his judgment as to what is best for our international interests in regard to the handling of the Cuban situation.

The Senator from Utah has already pointed out that that does not mean we will fall short in any sugar supply. The Commodity Credit Corporation can buy sugar as it may be needed in order to meet a deficiency. I think that is the approach we should make to this problem. We ought to reject the conference report. I think it is our duty to reject it. I think we owe it to the President to reject it. I think we owe it to our country. I think we owe it to our domestic sugar producers, to be fair to them. Therefore, I shall vote against the conference report.

I yield to the Senator from Ohio.

Mr. LAUSCHE. The Senator from Oregon stated that he was pleased to note the uniformity of the votes cast by the members of the Foreign Relations Committee in favor of the Morse amendment. I voted in favor of the Morse amendment because I believed that the Senator from Oregon described with substantial accuracy the impression made upon the members of the Foreign Relations Committee in regard to the course

our Government should follow in connection with this subject. The recitation made by the Senator from Oregon in support of his plea that his amendment be adopted was corroborated by the testimony offered before our committee, as I can recall.

Mr. MORSE. I thank the Senator from Ohio.

Mr. HICKENLOOPER. Mr. President—

Mr. MORSE. Mr. President, I am ready to yield the floor, and to permit the Senator from Iowa to take the floor in his own right.

Mr. HICKENLOOPER. Mr. President, will the Senator from Oregon yield?

The PRESIDING OFFICER (Mr. MUSKIE in the chair). Does the Senator from Oregon yield to the Senator from Iowa?

Mr. MORSE. I yield.

Mr. HICKENLOOPER. I wish to commend the Senator from Oregon for his statement. In my judgment he was completely accurate when he pointed out that the urgency of this particular measure arises, not as a result of the economic situation, but as a result of our international relationships and foreign policy. That is basically and fundamentally the reason why we are now considering this matter, and why we engaged in debate on yesterday about this sugar situation, and why the issues are so acute. The urgency of this issue is generated primarily by an international situation which is primarily a foreign-policy matter. If it were primarily an economic matter, and if it involved, primarily, economics and trade, probably there would not be the necessity for our taking the proposed action.

So I commend the Senator from Oregon for pointing out so clearly that this is a matter of foreign policy, and almost foreign policy alone, although of course economic factors are involved in it.

The Senator from Oregon said something about the reports we have had here on the floor about hearings by the House committee. A moment ago I talked to a Member of the House who was then in this Chamber; and he told me that, although he is not a member of the House committee, he had word from two members of the House committee that no hearings at all were held on this bill in the House committee; that apparently the bill was prepared the night before it was voted to be reported to the House; and that the only meeting the committee held on the bill was one to mark up the bill.

Mr. MORSE. I do not know what happened in the House committee; but I know that the Senate committee has not held hearings on the bill.

Mr. BENNETT. Mr. President, will the Senator from Iowa permit me to make a correction, following his statement?

Mr. HICKENLOOPER. I did not recite that as a fact; I merely repeated what a Member of the House told me was accurate information.

Mr. BENNETT. I can inform the Senator from Iowa that the only hearings which were held were for the purpose of hearing two members of the executive branch—the Secretary of State

and the Secretary of Agriculture. Before the bill was written up, the committee heard those two gentlemen.

Mr. HICKENLOOPER. I think the House Member did say that the bill was written up one evening, and that the next day there was some consultation with the State Department, or something of that sort. But, in other words, there were no hearings—so far as my information goes—in the committee of the other body on this bill.

Mr. BENNETT. I am sure there is a record of a formal hearing with the Secretary of State and the Secretary of Agriculture.

Mr. HICKENLOOPER. At any rate, my understanding of the information I had was that there was consultation which might be called a hearing, but it was consultation with a representative of the State Department, and perhaps with a representative of the Department of Commerce, on the day when the bill was in the House committee and on the day when the bill was brought out of the committee and was reported to the House.

But we cannot overemphasize what the Senator from Oregon already has emphasized; namely, that this is a matter of foreign policy; and in these times of tension, I believe it to be highly essential that the Chief Executive be given discretionary power to handle this matter in accordance with the best interests of the foreign policy of the United States, and as a powerful weapon to be used in advancing the cause of freedom in this hemisphere, and as a means of combatting the subversion which, at least in one area, is creeping into this hemisphere in an alarming degree.

Mr. MORSE. I thank the Senator very much, indeed.

Mr. MUNDT. Mr. President, will the Senator from Oregon yield?

Mr. MORSE. I yield.

Mr. MUNDT. I should like to associate myself with the remarks of the Senator from Iowa about the clear-cut case the Senator from Oregon has made in regard to the foreign policy aspects of this matter. I believe they are most important. He did well to point out the surprising degree of unanimity of opinion among the members of the Foreign Relations Committee—as shown by the votes cast yesterday and today—in regard to this matter.

I say that the next aspect to be considered is the economic problem and the question of the effect on the American market. In this respect, we find that the members of the Committee on Agriculture and Forestry—as did the members of the Foreign Relations Committee—voted in opposition to this measure. The chairman of the Committee on Agriculture and Forestry and a number of the other members of that committee have been leaders in this debate, and have stressed the fact that we must take away from Castro this economic advantage, which he is receiving now.

We are asking that the President be allowed to use this means to obtain the maximum benefits for our country.

Mr. MORSE. I thank the Senator from South Dakota.

Mr. BUSH. Mr. President, will the Senator from Oregon yield to me?

Mr. MORSE. I yield.

Mr. BUSH. The Senator from Oregon has made a very persuasive argument. However, if the Senate rejects the conference report—as the Senator from Oregon recommends—where will that leave us?

Mr. MORSE. We cannot justify the adoption of a report if we believe it will do our country great injury. I am convinced it will do just that, as regards our Nation's relationships with Latin America; I am convinced of that, as a result of the conferences I have had about this matter during the last year.

If the Senator rejects the conference report, we shall have a chance to remain here and to battle out the problem.

I would have liked to have the Senate dispose of this problem before now, too. We had an opportunity to do so a week ago, but we did not do it.

I do not think we should walk out on our responsibilities in connection with the foreign policy of our country, merely because the political conventions are approaching. I believe this issue is causing a great crisis in the Caribbean.

So I believe we should stay here until we settle this matter.

Mr. BUSH. Right now? This week?

Mr. MORSE. Yes, right now.

Mr. ALLOTT. Mr. President, about 2 o'clock this morning I tried to state as precisely as I could my position on this issue.

I rise now only to explain the vote I shall cast on the question of agreeing to the conference report.

I believe there is a slight tendency—and I, for one, pointed out months ago that this would happen—to permit international considerations—in this instance, in relationship to the Sugar Act—to outweigh the domestic considerations. Certainly at this time I cannot overlook the domestic considerations.

I say to my good friends the Senator from Louisiana and the Senator from Utah, I do not detract from what they did. I do not think any Member of the Senate who would have been sent there to do the job they had to do tonight could have come out with better results than they did. But I cannot help coming to the conclusion that, from an international standpoint, and also from the standpoint of our own sugar beet people in this country, I must vote against the conference report.

The PRESIDING OFFICER. The question is on agreeing to the conference report. On this question the yeas and nays have been ordered, and the clerk will call the roll.

The legislative clerk called the roll.

Mr. MANSFIELD. I announce that the Senator from New Mexico [Mr. ANDERSON], the Senators from Nevada [Mr. BIBLE and Mr. CANNON], the Senators from Virginia [Mr. BYRD and Mr. ROBERTSON], the Senator from Illinois [Mr. DOUGLAS], the Senator from Mississippi [Mr. EASTLAND], the Senator from Delaware [Mr. FREAR], the Senator from Arkansas [Mr. FULBRIGHT], the Senator from Rhode Island [Mr. GREEN], the Senator from Alaska [Mr. GRUENING], the Senator from Alabama [Mr. HILL],

the Senator from Minnesota [Mr. HUMPHREY], the Senators from Oklahoma [Mr. KERR and Mr. MONRONEY], the Senator from Washington [Mr. MAGNUSON], the Senator from Michigan [Mr. McNAMARA], the Senator from Montana [Mr. MURRAY], the Senator from Georgia [Mr. RUSSELL], the Senator from Florida [Mr. SMATHERS], the Senator from Rhode Island [Mr. PASTORE] are absent on official business.

I also announce that the Senator from Tennessee [Mr. GORE], the Senator from Massachusetts [Mr. KENNEDY], the Senators from Wyoming [Mr. McGEE and Mr. O'MAHONEY], the Senator from Missouri [Mr. SYMINGTON] are necessarily absent.

I further announce that the Senator from Missouri [Mr. HENNINGS] is absent because of illness.

I further announce that, if present and voting, the Senators from New Mexico [Mr. ANDERSON and Mr. CHAVEZ], the Senators from Nevada [Mr. BIBLE and Mr. CANNON], the Senators from Virginia [Mr. BYRD and Mr. ROBERTSON], the Senator from Mississippi [Mr. EASTLAND], the Senator from Delaware [Mr. FREAR], the Senator from Arkansas [Mr. FULBRIGHT], the Senator from Alabama [Mr. HILL], the Senators from Oklahoma [Mr. KERR and Mr. MONRONEY], the Senator from Michigan [Mr. McNAMARA], the Senator from Rhode Island [Mr. PASTORE], the Senators from Missouri [Mr. HENNINGS and Mr. SYMINGTON], and the Senator from Illinois [Mr. DOUGLAS] would each vote "yea."

On this vote, the Senator from Washington [Mr. MAGNUSON] is paired with the Senator from Massachusetts [Mr. KENNEDY]. If present and voting, the Senator from Washington would vote "yea," and the Senator from Massachusetts would vote "nay."

Mr. KUCHEL. I announce that the Senator from Maryland [Mr. BEALL], the Senators from New Hampshire [Mr. BRIDGES and Mr. COTTON], and the Senator from Massachusetts [Mr. SALTONSTALL] are necessarily absent.

The Senator from Indiana [Mr. CAPEHART] is absent on official business.

The Senator from Iowa [Mr. MARTIN] is absent by leave of the Senate on official business.

I also announce that the Senator from Maryland [Mr. BUTLER], the Senators from North Dakota [Mr. BRUNSDALE and Mr. YOUNG], the Senators from Kansas [Mr. CARLSON and Mr. SCHOEPPEL], the Senator from Kentucky [Mr. COOPER], the Senator from Arizona [Mr. GOLDWATER], the Senator from New York [Mr. JAVITS], the Senator from Wisconsin [Mr. WILEY], and the Senator from Delaware [Mr. WILLIAMS] are necessarily absent.

If present and voting the Senator from Kentucky [Mr. COOPER] would vote "nay."

The result was announced—yeas 32, nays 24, as follows:

[No. 279]

YEAS—32

Bartlett	Dodd	Hartke
Bennett	Engle	Hayden
Byrd, W. Va.	Ervin	Holland
Case, N.J.	Pong	Johnson, Tex.
Dirksen	Hart	Johnston, S.C.

Jordan
Kefauver
Kuchel
Long, Hawaii
Long, La.
McCarthy

McClellan
Mansfield
Moss
Scott
Sparkman
Stennis

Talmadge
Thurmond
Williams, N.J.
Yarborough
Young, Ohio

NAYS—24

Aiken
Allott
Bush
Carroll
Case, S. Dak.
Church
Clark
Curtis

Dworshak
Ellender
Goldwater
Hickenlooper
Hruska
Jackson
Keating
Lausche

Lusk
Morse
Mundt
Muskie
Prouty
Proxmire
Randolph
Smith

NOT VOTING—44

Anderson
Beall
Bible
Bridges
Brunsdale
Butler
Byrd, Va.
Cannon
Capehart
Carlson
Chavez
Cooper
Cotton
Douglas
Eastland

Frear
Fulbright
Gore
Green
Gruening
Hennings
Hill
Humphrey
Javits
Kennedy
Kerr
McGee
McNamara
Magnuson
Martin

Monroney
Morton
Murray
O'Mahoney
Pastore
Robertson
Russell
Saltonstall
Schoepel
Smathers
Symington
Wiley
Williams, Del.
Young, N. Dak.

So the conference report was agreed to.

Mr. LONG of Louisiana. Mr. President, I move to reconsider the vote by which the conference report was agreed to.

Mr. DIRKSEN. Mr. President, I move to lay that motion on the table.

Mr. JOHNSON of Texas. Mr. President, I move to lay that motion on the table.

The PRESIDING OFFICER. The question is on agreeing to the motion to lay on the table the motion to reconsider.

The motion to lay on the table was agreed to.

ADJOURNMENT OF THE TWO HOUSES ON JULY 3, TO AUGUST 8, AND AUGUST 15, 1960

Mr. JOHNSON of Texas. Mr. President, I ask the Presiding Officer to lay before the Senate the amendments of the House of Representatives to Senate Concurrent Resolution 112.

The PRESIDING OFFICER laid before the Senate the amendments of the House of Representatives to the concurrent resolution (S. Con. Res. 112) providing for an adjournment of the two Houses from July 2, 1960, to August 8, 1960, which were, to strike out all after the resolving clause and insert:

That when the two Houses shall adjourn on Sunday, July 3, 1960, the Senate shall stand adjourned until 12 o'clock noon on Monday, August 8, 1960, and the House of Representatives shall stand adjourned until 12 o'clock noon on Monday, August 15, 1960.

Amend the title to read: "Concurrent resolution providing for the adjournment of the Senate from July 3, 1960, to August 8, 1960, and the adjournment of the House from July 3, 1960, to August 15, 1960."

Mr. JOHNSON of Texas. Mr. President, I move that the Senate concur in the House amendments.

The PRESIDING OFFICER. The question is on agreeing to the motion of the Senator from Texas.

The motion was agreed to.

AUTHORIZATION TO SIGN ENROLLED BILLS AND JOINT RESOLUTIONS

Mr. JOHNSON of Texas. Mr. President, I offer the resolution which I send to the desk and ask to have stated for the information of the Senate.

The PRESIDING OFFICER. The resolution will be stated for the information of the Senate.

The legislative clerk read the resolution (H. Con. Res. 712), as follows:

Resolved by the House of Representatives (the Senate concurring), That notwithstanding the adjournment of the two Houses until August the 8th and 15th, 1960, the Speaker of the House of Representatives and the President of the Senate be, and they are hereby, authorized to sign enrolled bills and joint resolutions duly passed by the two Houses and found truly enrolled.

The PRESIDING OFFICER. The question is on agreeing to the resolution. The resolution was agreed to.

AUTHORITY TO MAKE APPOINTMENTS

Mr. JOHNSON of Texas. Mr. President, I offer the resolution which I send to the desk and ask to have stated.

The PRESIDING OFFICER. The resolution will be stated for the information of the Senate.

The legislative clerk read the resolution (S. Res. 352) as follows:

Resolved, That notwithstanding the adjournment of the two Houses pursuant to Senate Concurrent Resolution 112, the President of the Senate be, and he is hereby, authorized to make appointments to commissions or committees authorized by law, by concurrent action of the two Houses, or by order of the Senate.

The PRESIDING OFFICER. The question is on agreeing to the resolution. The resolution was agreed to.

STATUS QUO OF NOMINATIONS

Mr. JOHNSON of Texas. Mr. President, I submit a resolution which I send to the desk and ask to have stated.

The legislative clerk read as follows:

Resolved, That notwithstanding the adjournment of the Senate under Senate Concurrent Resolution 112, as amended, and the provisions of rule XXXVIII of the Standing Rules of the Senate, the status quo of nominations now pending and not finally acted upon at the time of taking such adjournment shall be preserved.

The PRESIDING OFFICER. Is there objection to the present consideration of the resolution?

There being no objection, the Senate proceeded to consider the resolution.

The resolution was agreed to.

AUTHORITY TO RECEIVE MESSAGES FROM THE HOUSE

Mr. JOHNSON of Texas. Mr. President, I submit a resolution which I send to the desk and ask to have stated.

The legislative clerk read as follows:

Ordered, That, notwithstanding the adjournment of the two Houses under Senate Concurrent Resolution 112, the Secretary be, and he is hereby, authorized to receive messages from the House of Representatives.

students from the University of North Carolina, Stephens College, West Virginia University, St. Albans School, Trinity College, as well as Steve Johnson, a law student at Georgetown University. During one hectic but thoroughly enjoyable week we had a total of 20 persons crowded into the 2 rooms of my office suite.

During 1959, when first I conducted this program, I had to bear the bulk of the cost myself. This year, however, through the cooperation and generosity of eight forward minded industries in the Ohio Valley, contributions were made to cosponsor the trips for several of the students, and enabled the program to become even more successful than in 1959. These contributions were governed and supervised by the American Political Science Association, and I owe them a debt of thanks, as well as a huge expression of gratitude to the industries—Schurman Construction Co., of Huntington, Goodyear Tire & Rubber Co., Kaiser Aluminum & Chemical Co., Celanese Chemicals Co., Vanadium Corp. of America, the Chesapeake & Ohio Railway, Standard Ultramarine Co., and one anonymous cosponsor.

Through their aid, we were able to provide better coordinated housing for the students, more events and points of interest to visit, and generally better accommodations. However, the greatest credit for the success of this program belongs not to me, nor to my staff, nor to anyone else but the students themselves.

The interest and desire of the students to learn inspired and impressed every one of us who came into contact with them. I want the RECORD to show their names, for it was they more than anyone else who made the "1960 Week in Washington" program the exciting, memorable event that it was:

Mary Margaret Loemker, of Huntington; Brenda Courts, of Milton; Mary Lee Holland, of Ripley; Nadia Tabor of Yawkey; Natalie Waugh, of Point Pleasant; Betty Jo Winland, of St. Marys; Shirley Wall, of Winfield; Roylene Alberts, of Spencer; Linda Woodburn, of Alma; Joyce Lycan, of Fort Gay; Nancy Huggins, of Williamstown; Peter Bob Calhoun, of Huntington; Michael Sands Smith of Barboursville; Christopher Borrie, of Ravenswood; Jimmy Lee Robinson, of Ranger; Jerry Lawson, of Point Pleasant; John Burton Adkins and Tom Young, of St. Marys; D. Edward Bowman, of Winfield; Brice Abbott, of Walton; Darrell Moeck, of Sistersville; Max Belcher, of Wayne; Robert C. Finch, of Parkersburg.

Mr. Speaker, if I do nothing else in this Congress, I am proud of the contribution which this program has made toward inspiring young people to take an increasing interest in our great democracy. Young people are the greatest natural resource which West Virginia and the Nation possess. An investment in their education is the soundest investment anyone can make in the future security of our Nation.

(Mr. HECHLER (at the request of Mr. McCORMACK) was given permission to ex-

tend his remarks at this point in the RECORD.)

[Mr. HECHLER'S remarks will appear hereafter in the Appendix.]

PROGRAM FOR BALANCE OF THE DAY AND NEXT WEEK

(Mr. HALLECK asked and was given permission to address the House for 1 minute.)

Mr. HALLECK. Mr. Speaker, I take this time for the purpose of inquiring of the majority leader as to the program for the balance of the day and for next week.

Mr. McCORMACK. We will have to adjourn over until Monday, and it is important that the Members be here. I cannot guarantee, but some important matters might come up. There might be some suspensions.

Mr. HALLECK. Can the gentleman tell us what suspensions we might anticipate on Monday?

Mr. McCORMACK. Well, one is the equal time bill, and there may be something in connection with sugar legislation. I am unable to state.

Mr. HALLECK. I express the hope that we may have something in connection with sugar legislation.

Mr. McCORMACK. I thoroughly agree.

Mr. HALLECK. And the other suspension is the one I understand the gentleman from Arkansas talked about earlier, the equal time bill.

Mr. McCORMACK. And, of course, Monday is Consent Calendar day.

Mr. HALLECK. I would suggest to the gentleman, at least as far as I am concerned, having not anticipated that the Consent Calendar would be called on Monday.

Mr. McCORMACK. I might say neither did I.

Mr. HALLECK. I doubt whether the objectors on our side would have the information about the bills that might be on the Consent Calendar that would be necessary for them to have if they were to intelligently act on the bills that might come up.

Mr. McCORMACK. Ordinarily I am in a position where I can answer any question in that regard, because I anticipate and prepare the program, and usually consult with my friend from Indiana, as he knows.

Mr. HALLECK. I understand that.

Mr. McCORMACK. I might make an inquiry, not a parliamentary inquiry but to inquire of the Speaker as to whether or not we are going to have any further recess this evening.

The SPEAKER. For a short while, I hope.

RECESS

The SPEAKER. Without objection, the House will stand in recess subject to the call of the Chair.

There was no objection.

Accordingly (at 11 o'clock and 13 minutes p.m.), the House stood in recess subject to the call of the Chair.

AFTER RECESS

The recess having expired, the House was called to order by the Speaker at 2 o'clock and 35 minutes, a.m.

FURTHER MESSAGE FROM THE SENATE

A further message from the Senate by Mr. McGown, one of its clerks, announced that the Senate had passed without amendment a bill of the House of the following title:

H.R. 5436. An act to provide for a register in the Department of Commerce in which shall be listed the names of certain persons who have had their motor vehicle operator's licenses revoked.

The message also announced that the Senate had passed, with amendments in which the concurrence of the House is requested, a bill of the House of the following title:

H.R. 12311. An act to extend for 1 year the Sugar Act of 1948, as amended.

The message also announced that the Senate insists on its amendments to the foregoing bill, requests a conference with the House on the disagreeing votes of the two Houses thereon, and appoints Mr. LONG of Louisiana, Mr. ANDERSON, and Mr. BENNETT to be the conferees on the part of the Senate.

The message also announced that the Senate had passed bills of the following titles, in which the concurrence of the House is requested:

S. 299. An act for the relief of Dalworth C. Ebner and John Wessels; and

S. 3727. An act to authorize the bonding of persons engaging in the home improvement business, and for other purposes.

The message also announced that the Senate recedes from its amendments numbered 7, 8, 9, 14, and 17 to the bill (H.R. 12740) entitled "An act making supplemental appropriations for the fiscal year ending June 30, 1961, and for other purposes."

The message further announced that the Senate agrees to the amendment of the House to Senate amendment No. 15 to the above-entitled bill.

SUGAR ACT OF 1948

Mr. COOLEY. Mr. Speaker, I ask unanimous consent to take from the Speaker's desk the bill (H.R. 12311) to extend for 1 year the Sugar Act of 1948, as amended, with Senate amendments thereto, disagree to the Senate amendments, and agree to the conference asked by the Senate.

The Clerk read the title of the bill.

The SPEAKER. Is there objection to the request of the gentleman from North Carolina?

Mr. BASS of Tennessee. Mr. Speaker, reserving the right to object, I would like for the gentleman from North Carolina to advise the House what the major changes are in the Senate bill from the bill as passed by the House.

Mr. COOLEY. Well, I am sorry that I cannot give you accurate information.

Mr. BASS of Tennessee. The major changes.

Mr. COOLEY. I have not seen the bill, unfortunately, but I do understand that they have stricken out the section which we provided in our bill which would offer some hope to new areas and to new growers; that they have also stricken out the calendar year 1961, which would, under ordinary circumstances, require the Congress to rewrite the sugar bill at the short term in August; that they have also in line 15 on page 5 stricken out the word "may" in the sentence which reads "The balance, including any unfilled balances from allocations already provided shall be allocated to or purchased from foreign countries having quotas under section 202 (c)." The Senate proposes to strike the word "shall" and insert the word "may." I am sure that I do not have all of the Senate amendments before me, but I know that they have made some other changes which are very inconsequential, I think.

Mr. BASS of Tennessee. I would like to say to the distinguished chairman of the Committee on Agriculture that I hope when the conferees get together he will insist on maintaining the word "shall" which was in the House bill, which I think is the key to the directions of the House Committee on Agriculture and also to the vote in the House.

Mr. COOLEY. I think I can say to my friend that the House conferees will insist on the position taken by the House on all phases of the bill passed by the House. I am not sure that we can bring back exactly what the gentleman from Tennessee wants.

Mr. BASS of Tennessee. I withdraw my reservation of objection, Mr. Speaker.

Mr. THOMSON of Wyoming. Mr. Speaker, further reserving the right to object, I personally hope that the words "shall be allocated" are not retained. The Senate, in effect, substituted for these words "may be purchased from." Unless this is done, if the President exercises the powers granted to him to cut Cuba, he would have to make a quota allocation to the various countries. Then if things straightened out in Cuba, certainly our desire will be to assist Cuba. We would be reluctant to take quotas away from the countries to which they had been allocated when the Cuban quota was cut. How are you going to satisfy both demands?

Mr. COOLEY. If the gentleman will permit me to say so, in an effort to compose differences in our committee—Secretary Dillon and his associates testifying—I suggested that we eliminate the word "shall" and insert the word "may"; but, unfortunately, our committee unanimously overruled me and retained the word "shall." Personally, I do not attach too much importance to the change, except that I do know that it is fraught with great danger if we exercise the powers unwisely. But it seems to me that the gentleman who is now addressing the House would be willing to trust his own President in the exercise of that power if the Congress is willing to grant the President that power.

Mr. THOMSON of Wyoming. You say that you are willing to trust the President; but the House language would direct him to allocate these quotas, and

the language of the Senate would change this to say that it might be purchased without allocation.

Mr. COOLEY. The differences will have to be composed in conference.

Mr. THOMSON of Wyoming. It is unfortunate that we could not have had House hearings earlier in the session and worked this out in a proper manner and taken timely and considered action.

Mr. ROOSEVELT. Mr. Speaker, further reserving the right to object, it seems to me, from the brief words already said here tonight, that there certainly are still very difficult and complicated questions which the conference will have to work on and then come back and explain to the House. It is now 20 minutes to 3. I have a rather horrifying recollection of what happened in this House last Thursday when we tried to pass legislation of a technical nature without full consideration of it. This particular legislation could easily bring about an international situation that might mean war; and for us at this hour of the night to pass on this legislation without a thorough understanding would seem to me to be a very questionable procedure. While I certainly will not object to going to conference, I would hope that the leadership of the House will not act unseemingly in this very important matter; at least, we could come back here Monday and give some further consideration to the matter.

The SPEAKER. Is there objection to the request of the gentleman from North Carolina?

The Chair hears none, and appoints the following conferees: Messrs. COOLEY, POAGE, ALBERT, THOMPSON of Texas, HOEVEN, BELCHER, and MCINTIRE.

THE RESPONSIBILITY OF THE PRESS

(Mr. HARRIS asked and was given permission to extend his remarks at this point in the RECORD.)

Mr. HARRIS. Mr. Speaker, on Tuesday of this week the Honorable GEORGE M. RHODES, distinguished member of our Committee on Interstate and Foreign Commerce, from the great Keystone State of Pennsylvania, addressed the House and brought to the attention of the Members of Congress additional facts as to pressure tactics used by certain publications and the reasons for the recent attacks on the Members of Congress.

I wish to commend the gentleman from Pennsylvania for his courage in documenting the facts from his own experience, exposing the kind of tactics used on him because he had proposed a limitation of mail subsidy on any one publication. The gentleman from Pennsylvania in his very able and outstanding speech supplements and amplifies what I endeavored to explain in my speech last week of what was involved in the kind and type of publicity by Life magazine and Knight newspapers. Such retaliation which the gentleman has again pointed out should cause concern because it amounts to intimidation of a public official for proposing legislation which he honestly and sincerely believes to be right.

Mr. Speaker, I realize full well that to criticize any segment of the press touches a most sensitive spot. I realize full well the importance of maintaining the freedom of speech and of the press as provided by the Constitution. I am firmly convinced that this was originally intended to be and is now one of the basic fundamentals of our democracy.

At the same time, Mr. Speaker, I fully realize the power of the press. It should have great influence in the lives of our people. Because of this power and influence, the press has a tremendous responsibility to be fair, honest and objective and I am proud as I know you are that most of the press of this Nation strives diligently to live up to its responsibility.

The press should investigate and report its findings with its objective news or wrongdoings, whether it is a public official or private individual, whether it is a matter of investigation or legislation.

I am thankful that a free or objective press of this country assumes such duty and responsibility.

It does not mean, however, that some prejudiced or biased newspaper or reporter is given the right to so slant a report to make it appear that some act was a terrible offense when it was not a fact to include and show a picture of an official in connection with the report which is grossly in error and has nothing to do with it whatsoever. Neither does it give the right to smear with ridiculous charges in retaliation of exposing or proposing something which adversely affects the particular publication or newspaper.

The gentleman from Pennsylvania [Mr. RHODES] has served in this Congress for some time. He has distinguished himself as a Member of this great body. He is a hard worker and represents his district well, as, indeed, his State and our Nation. We do not agree on every question, but there is no one for whom I have greater respect and admiration. His district is fortunate to have the gentleman to represent it and we are fortunate to have him as a member of our great and distinguished Committee on Interstate and Foreign Commerce.

RECESS

The SPEAKER. Without objection, the House will stand in recess subject to the call of the Chair.

There was no objection.

Accordingly (at 2 o'clock and 43 minutes a.m.), the House stood in recess subject to the call of the Chair.

AFTER RECESS

SUGAR ACT OF 1948

Mr. COOLEY submitted the following conference report and statement on the bill (H.R. 12311) to extend for 1 year the Sugar Act of 1948, as amended:

CONFERENCE REPORT (H. REPT. NO. 2090)

The committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H.R. 12311) to extend for one year the Sugar Act of 1948, as amended, having met, after full

and free conference, have agreed to recommend and do recommend to their respective Houses as follows:

That the Senate recede from its amendments numbered 8, 10, and 12.

That the House recede from its disagreement to the amendments of the Senate numbered 3, 4, 9, 11, and 13; and agree to the same.

Amendment numbered 1: That the House recede from its disagreement to the amendment of the Senate numbered 1, and agree to the same with an amendment, as follows: In lieu of the matter proposed to be stricken by the Senate amendment insert the following: "That section 412 of the Sugar Act of 1948 (relating to termination of the powers of the Secretary under the Act) is amended (1) by striking out 'December 31, 1960' and inserting in lieu thereof 'March 31, 1961', (2) by inserting ', until March 31, 1961,' after 'power', and (3) by striking out 'the crop year 1960 and previous crop years' and inserting in lieu thereof 'any crop year beginning prior to March 31, 1961'"; and the Senate agree to the same.

Amendment numbered 2: That the House recede from its disagreement to the amendment of the Senate numbered 2, and agree to the same with an amendment, as follows: In lieu of the matter proposed to be stricken by the Senate amendment insert the following:

"Sec. 2. Sections 4501(c) and 6412(d) (relating to the termination and refund of taxes on sugar) of the Internal Revenue Code of 1954 are amended by striking out 'June 30, 1961' in each place it appears therein and inserting in lieu thereof 'September 30, 1961'"; and the Senate agree to the same.

Amendment numbered 5: That the House recede from its disagreement to the amendment of the Senate numbered 5, and agree to the same with an amendment, as follows: In lieu of the matter proposed to be inserted by the Senate amendment insert the following: "Sec. 3.": and the Senate agree to the same.

Amendment numbered 6: That the House recede from its disagreement to the amendment of the Senate numbered 6, and agree to the same with an amendment, as follows: Omit the matter proposed to be inserted by the Senate amendment and on page 2, line 20, of the House bill strike out "December 31, 1961" and insert in lieu thereof "March 31, 1961"; and the Senate agree to the same.

Amendment numbered 7: That the House recede from its disagreement to the amendment of the Senate numbered 7, and agree to the same with an amendment, as follows: In lieu of the matter proposed to be stricken out by the Senate amendment insert "and for the three-month period ending March 31, 1961"; and the Senate agree to the same.

Amendment numbered 14: That the House recede from its disagreement to the amendment of the Senate numbered 14, and agree to the same with an amendment, as follows: In lieu of the matter proposed to be inserted by the Senate amendment insert the following: "Sec. 4"; and the Senate agree to the same.

That the House recede from its disagreement to the amendment of the Senate to the title of the bill and agree to the same.

HAROLD D. COOLEY,
W. R. POAGE,
CARL ALBERT,
CLARK W. THOMPSON,
CHARLES B. HOEVEN,
PAGE BELCHER,
CLIFFORD G. MCINTIRE,

Managers on the Part of the House.

RUSSELL B. LONG,
CLINTON P. ANDERSON,
WALLACE F. BENNETT,
Managers on the Part of the Senate.

STATEMENT

The managers on the part of the House at the conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H.R. 12311) to extend for one year the Sugar Act of 1948, as amended, submit the following statement in explanation of the effect of the action agreed upon and recommended in the accompanying conference report:

The amendments made by the Senate had the effect of making two major changes in the House bill:

1. They limited the effect of the bill to the calendar year 1960, only; and
2. They changed from mandatory to permissive the directions contained in subparagraphs (i), (ii), and (iii) for foreign distribution of any reductions in Cuban quotas made pursuant to the bill.

The effect of the agreement reached by the conferees and embodied in the accompanying conference report—

1. Extend the Sugar Act and the authority conferred on the President by this bill through March 31, 1961.

2. Retain the mandatory character of the distribution to foreign countries of the House bill but provide that such distribution shall be by purchases from, rather than allocations to, such countries.

It is the intention of the conferees that in establishing quotas for the period January 1, 1961, through March 31, 1961, the Secretary of Agriculture will establish a quota for each area or country of one-fourth the quota which each country or area would have received had the Act been extended in its present terms for one calendar year.

As part of the understanding reached by the conferees, it was agreed that the conferees on the part of the House would undertake to pass a sugar bill and transmit same to the Senate on the earliest possible date after the reconvening of the House in August.

HAROLD D. COOLEY,
W. R. POAGE,
CARL ALBERT,
CLARK W. THOMPSON,
CHARLES B. HOEVEN,
PAGE BELCHER,
CLIFFORD G. MCINTIRE,

Managers on the Part of the House.

Mr. COOLEY. Mr. Speaker, I ask unanimous consent for the immediate consideration of the conference report on the bill (H.R. 12311) to extend for 1 year the Sugar Act of 1948, as amended.

The SPEAKER. Is there objection to the request of the gentleman from North Carolina?

Mr. MEYER. Mr. Speaker, reserving the right to object, and it is not my intention to object, but I would like to bring up a few matters in connection with this issue because of the grave implications that exist at this time and because we have not really had adequate time to go over the report or study the details that are going to be presented to us. I think in the field of economics we might readily admit here on the floor that we actually do need Cuban sugar. Of course, recognizing the things that have gone wrong in Cuba and the things that Castro and his administration have done that are not in line with our way of thinking, I sometimes wonder if there were not things that we might have done to help prevent this situation, but that is over with. What I am now concerned about is that we should not even to a minor degree permit a Russian-Hungarian situation or a comparable one to

develop between us and Cuba. I would like to ask the distinguished chairman of the Committee on Agriculture if he believes that there is much chance that anything in this legislation could encourage or promote such a development.

Mr. COOLEY. I might say to my friend, as I said on the floor of the House during the debate on the bill, that I very reluctantly agreed to grant the President the power which is provided in this bill. I think that he should proceed with care and caution and he should exercise the power well and wisely.

I think that this power does have far-reaching implications. It could precipitate matters of great importance far beyond the allocation of sugar, but we must realize that the President of the United States handles the foreign policy of our Nation. He has asked for this power. He has assured us through the Secretary of State that it will be well and wisely used; that it will not be used in a way which will be calculated to provoke violence in any part of Cuba or elsewhere. I appreciate what the gentleman has said with reference to the source of supply. Cuba has been a reliable source of supply for American sugar for many years.

We have had a sugar program in operation for approximately 25 years. Cuba has participated in that program and has been faithful to its allocations. Cuba has provided sugar for our markets in times of war when world market prices were substantially above our own domestic prices.

I think the sugar program is vital, as I said in the debate, not only to the domestic producer, but also to domestic consumers. I said also in the debate that our committee, realizing that it does have a very great responsibility in this area, will assure the Members of the House that we will give the necessary time and attention to this important measure. We will study it thoroughly. If it takes economists to assist us we will arrange to have that proper assistance and we will try to bring back to the House early in the next session another sugar bill which I hope will be just as acceptable as the sugar bill was when we presented it to the House on Thursday.

Mr. MEYER. I thank the gentleman. I would judge from his very fine answer that in a sense he is assuring us that he believes that this legislation will not help to lead to hasty action that we may regret. I would like to ask him about the matter of our good relationships in Latin America because economic pressure by us on Cuba might raise the old charge of economic imperialism against us in the minds of our good neighbors to the south.

Mr. HALLECK. Mr. Speaker, I demand the regular order.

The SPEAKER. Is there objection to the request of the gentleman from North Carolina?

There was no objection.

Mr. COOLEY. Mr. Speaker, I ask unanimous consent that the statement of the managers on the part of the House be read in lieu of the report.

The SPEAKER. Is there objection to the request of the gentleman from North Carolina?

There was no objection.

The Clerk read the statement.

Mr. COOLEY. Mr. Speaker, I move the previous question on the conference report.

The previous question was ordered.

The SPEAKER. The question is on the conference report.

The conference report was agreed to.

A motion to reconsider was laid on the table.

MOTIONS TO SUSPEND THE RULES

Mr. McCORMACK. Mr. Speaker, I ask unanimous consent that motions to suspend the rules, in order on August 15, be transferred to Monday, August 22.

The SPEAKER. Is there objection to the request of the gentleman from Massachusetts?

There was no objection.

ADJOURNMENT RESOLUTION

Mr. McCORMACK. Mr. Speaker, I call up Senate Concurrent Resolution 112 and ask for its immediate consideration. The Clerk read the concurrent resolution as follows:

Resolved by the Senate (the House of Representatives concurring), That the two Houses shall adjourn on Saturday, July 2, 1960, and that when they adjourn on said day they stand adjourned until 12 o'clock noon on Monday, August 8, 1960.

Mr. McCORMACK. Mr. Speaker, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. McCORMACK: Strike out all after the resolving clause and insert: "That when the two Houses shall adjourn on Sunday, July 3, 1960, the Senate shall stand adjourned until 12 o'clock noon on Monday, August 8, 1960, and the House of Representatives shall stand adjourned until 12 o'clock noon on Monday, August 15, 1960."

Mr. McCORMACK. Mr. Speaker, I move the previous question.

Mr. HALLECK. Mr. Speaker, a parliamentary inquiry.

The SPEAKER. The gentleman will state it.

Mr. HALLECK. We have just adopted the conference report on the sugar bill. I had made it known that I would not vote for a recess unless the sugar bill was enacted. My parliamentary inquiry is this: What assurance do we have at this point that the conference report that has just been adopted by the House of Representatives will be adopted by the other body, and hence that a sugar bill will be enacted into law subject to the approval of the President?

The SPEAKER. The Chair can only state that all of the members of the conference committee on the part of the Senate signed the conference report, and he assumes, therefore, that they would be able to get the Senate to accept the conference report.

Mr. HALLECK. A further parliamentary inquiry, Mr. Speaker. Would it be in order or possible for the vote on the pending motion of the majority leader to be deferred until action is had in the other body on the conference report?

The SPEAKER. No. The resolution is now pending before the House, and the previous question has been moved. It has not been adopted.

Mr. COOLEY. I would like to say to the minority leader that what the Speaker has said of course is true and accurate, that all the conferees signed and agreed to the report. I have not had a chance to say to the House that this report is somewhat of a compromise. The Senate took the position that at the short session we would have in August, when we returned from the conventions, the House should then and there attempt to rewrite a sugar bill opening up the quota provisions and having extensive hearings. The House conferees held to the idea it would not be wise for us to attempt so large a task in so short a session, in August when Members on both sides would be engaging in their campaigns. So as a compromise the Senate agreed that we would have January, February, and March of the next session within which to prepare and present a sugar bill. The House conferees assured the Senate conferees that we would do our best to present a well-considered sugar bill to the House within that 90-day period.

We further assured them that at the August session we would send another sugar bill to the Senate, maybe substantially the same bill we passed unanimously in the House on Thursday, but perhaps adding some other countries like Guatemala and some other sugar-producing areas, thereby originating legislation in the House which would enable them in the Senate to start hearings officially on legislation pertaining to sugar. So I think everything indicates that the Senate would accept the conference report.

Mr. HALLECK. Mr. Speaker, a further parliamentary inquiry: In view of the fact that the resolution now before us has been amended after it came from the other body, would that amendment require affirmative action in the other body before it could be adopted?

The SPEAKER. The Senate must concur in the House amendment.

Mr. McCORMACK. May I suggest that the reasonable assumption is that the adjournment resolution would not be acted on in the other body until the conference report had been acted on.

Mr. BECKER. Mr. Speaker, a parliamentary inquiry.

The SPEAKER. The gentleman will state it.

Mr. BECKER. We understand we are going to vote on a motion to recess this House until August 8 or 15. Meanwhile we have no assurance that the Senate will adopt the conference report that we have adopted tonight.

Mr. SPEAKER. That is not a parliamentary inquiry.

Mr. BECKER. What will happen if it is not adopted?

The SPEAKER. We will stay in session until they do adopt it, and then the resolution will be acted upon.

Mr. GROSS. On that motion I ask for the yeas and nays.

The SPEAKER. On the previous question?

Mr. GROSS. No.

The SPEAKER. Without objection, the previous question is ordered.

There was no objection.

The SPEAKER. The question is on the amendment.

The amendment was agreed to.

The SPEAKER. The question is on the resolution.

Mr. GROSS. Mr. Speaker, on that I ask for the yeas and nays.

The yeas and nays were refused.

The SPEAKER. The question is on the resolution.

The resolution was agreed to.

The title was amended to read: "Concurrent resolution providing for the adjournment of the Senate from July 3, 1960, to August 8, 1960, and the adjournment of the House from July 3, 1960, to August 15, 1960."

A motion to reconsider was laid on the table.

INTERIM AUTHORITY TO SIGN ENROLLED BILLS AND JOINT RESOLUTIONS

Mr. McCORMACK. Mr. Speaker, I offer a resolution—House Concurrent Resolution 712—and ask for its immediate consideration.

The Clerk read the resolution, as follows:

Resolved, That notwithstanding the adjournment of the two Houses until August the 8th and 15th, 1960, the Speaker of the House of Representatives and the President of the Senate be, and they are hereby, authorized to sign enrolled bills and joint resolutions duly passed by the two Houses and found truly enrolled.

The resolution was agreed to.

INTERIM AUTHORITY TO CLERK TO RECEIVE MESSAGES FROM SENATE

Mr. McCORMACK. Mr. Speaker, I ask unanimous consent that notwithstanding the adjournment of the House until August 15, 1960, the Clerk be authorized to receive messages from the Senate.

The SPEAKER. Is there objection to the request of the gentleman from Massachusetts?

There was no objection.

INTERIM AUTHORITY TO SPEAKER TO ACCEPT RESIGNATIONS, ETC.

Mr. McCORMACK. Mr. Speaker, I ask unanimous consent that notwithstanding the adjournment of the House until August 15, 1960, the Speaker be authorized to accept resignations and to appoint commissions, boards, and committees authorized by law or by the House.

The SPEAKER. Is there objection to the request of the gentleman from Massachusetts?

There was no objection.

INTERIM AUTHORITY TO CLERK TO PRINT DOCUMENTS

Mr. McCORMACK. Mr. Speaker, I ask unanimous consent that reports filed with the Clerk following the adjournment of the House until August 15, 1960,

Public Law 86-592
86th Congress, H. R. 12311
July 6, 1960

AN ACT

To amend the Sugar Act of 1948, as amended.

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That section 412 of the Sugar Act of 1948 (relating to termination of the powers of the Secretary under the Act) is amended (1) by striking out "December 31, 1960" and inserting in lieu thereof "March 31, 1961", (2) by inserting ", until March 31, 1961," after "power", and (3) by striking out "the crop year 1960 and previous crop years" and inserting in lieu thereof "any crop year beginning prior to March 31, 1961".

SEC. 2. Sections 4501(c) and 6412(d) (relating to the termination and refund of taxes on sugar) of the Internal Revenue Code of 1954 are amended by striking out "June 30, 1961" in each place it appears therein and inserting in lieu thereof "September 30, 1961".

SEC. 3. Section 408 of the Sugar Act of 1948, as amended (relating to suspension of quotas), is amended to designate such section as subsection "(a)"; and to add a new subsection "(b)" as follows:

"(b) Notwithstanding the provisions of title II of this Act, for the period ending March 31, 1961:

"(1) The President shall determine notwithstanding any other provisions of title II, the quota for Cuba for the balance of calendar year 1960 and for the three-month period ending March 31, 1961, in such amount or amounts as he shall find from time to time to be in the national interest: *Provided, however,* That in no event shall such quota at any time exceed such amount as would be provided for Cuba under the terms of title II in the absence of the amendments made herein, and such determinations shall become effective immediately upon publication in the Federal Register of the President's proclamation thereof;

"(2) For the purposes of meeting the requirements of consumers in the United States, the President is thereafter authorized to cause or permit to be brought or imported into or marketed in the United States, at such times and from such sources, including any country whose quota has been so reduced, and subject to such terms and conditions as he deems appropriate under the prevailing circumstances, a quantity of sugar, not in excess of the sum of any reductions in quotas made pursuant to this subsection: *Provided, however,* That any part of such quantity equivalent to the proration of domestic deficits to the country whose quota has been reduced may be allocated to domestic areas and the remainder of such quantity (plus any part of such allocation that domestic areas are unable to fill) shall be apportioned in raw sugar as follows:

"(i) There shall first be purchased from other foreign countries for which quotas or prorations thereof of not less than three thousand or more than ten thousand short tons, raw value, are provided in section 202(c), such quantities of raw sugar as are required to permit importation in such calendar year of a total of ten thousand short tons, raw value, from such country;

"(ii) There shall next be purchased from the Republic of the Philippines 15 per centum of the remainder of such importation;

"(iii) The balance, including any unfilled balances from allocations already provided, shall be purchased from foreign countries having quotas under section 202(c), other than those provided for in the preceding subparagraph (i), in amounts prorated according to the quotas established under section 202(c):

Sugar Act of
1948, amendment.
65 Stat. 320;
70 Stat. 221.
7 USC 1101 note.

68A Stat. 533,
796; 72 Stat. 1306.
26 USC 4501,
6412.
61 Stat. 933.
7 USC 1158.

61 Stat. 923;
70 Stat. 217.
7 USC 1111-1122.

Publication in
F. R.

74 STAT. 330.
74 STAT. 331.

7 USC 1112.

Provided, That if additional amounts of sugar are required the President may authorize the purchase of such amounts from any foreign countries, without regard to allocation;

“(3) If the President finds that raw sugar is not reasonably available, he may, as provided in (2) above, cause or permit to be imported such quantity of sugar in the form of direct-consumption sugar as may be required.”

7 USC 1101, 1113, 1115, 1119, 1137. SEC. 4. Sections 101(j), 203, 205(a), 209(a), 209(c), and 307 of the Sugar Act of 1948, as amended, are each amended by striking out the words “The Territory of” in each place where they appear therein.

Approved July 6, 1960.